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Electronic News Financial Fact Book & Directory

1985

24th Annual Edition

Book Division
Fairchild Publications
New York

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Editor's Note: In order to present a clearer picture of a company's involvement in the Electronics field, we have, in some cases, included only those divisions and subsidiaries related to Electronics.

Robert Benjamin
Chief Research Editor

Arlene Bienenfeld
Gregg Feder
Editorial Assistants

Standard Book Number 87005-502-X

Printed in the United States of America

LEADERS IN THE ELECTRONICS INDUSTRY - 1985

	Electronic Sales	% of Gross Sales In Electronics	+Gross Sales in Latest Available Four Quarters
IBM Corp.	$37,084,800,000	80	$46,356,000,000
AT&T Technologies, Inc.	8,331,250,000	23	33,320,000,000
General Electric Co.	6,934,750,000	25	27,739,000,000
ITT Corp.	6,602,000,000	33	20,006,000,000
Hewlett-Packard Co.	6,455,000,000*	100	6,455,000,000*
Motorola, Inc.	5,500,000,000	100	5,500,000,000
Sperry Corp.	5,413,000,000	88	6,151,100,000
RCA Corp.	4,981,100,000	48.8	10,207,100,000
Hughes Aircraft Co.	4,876,000,000	99	4,925,000,000
Honeywell, Inc.	4,735,800,000	76	6,231,000,000
Digital Equipment Corp.	4,546,000,000	68	6,686,000,000
Texas Instruments, Inc.	4,533,700,000	83	5,462,300,000
N. A. Philips Corp.	4,457,598,000	95	4,692,208,000
Xerox Corp.	4,244,500,000	50	8,498,000,000
Control Data Corp.	3,844,500,000	75	5,126,900,000
NCR Corp.	3,703,410,000	91	4,069,681,000
United Technologies Corp.	3,692,564,000	22.7	16,266,800,000
Northern Telecom Ltd.	3,587,800,000	93.3	3,845,400,000
Raytheon Co.	3,464,000,000	56.7	6,110,000,000
Westinghouse Electric Corp.	3,401,200,000	33	10,306,600,000
TRW, Inc.	3,078,000,000	48	6,417,000,000
Burroughs Corp.	3,041,906,000	62	4,906,300,000
Litton Industries, Inc.	2,975,978,000	64	4,620,079,000
Rockwell International Corp.	2,965,000,000	30	9,883,000,000
Tandy Corp.	2,804,204,000	100	2,804,204,000
General Motors Corp.	2,621,205,000	3	87,373,500,000
Schlumberger Ltd.	2,504,000,000	40	6,259,000,000
GTE Corp.	2,465,037,000	16	15,030,712,000
Wang Laboratories, Inc.	2,351,700,000	100	2,351,700,000
Harris Corp.	2,259,288,000	100	2,259,288,000
Allied Corp.	2,219,490,000	21	10,569,000,000
Apple Computer	1,985,971,000	100	1,985,971,000
Eaton Corp.	1,918,000,000	53	3,619,000,000
National Semiconductor Corp.	1,787,493,000	100	1,787,493,000
Zenith Electronics Corp.	1,745,900,000	100	1,745,900,000
Intel Corp.	1,582,970,000	100	1,582,970,000
E.I. du Pont de Nemours & Co.	1,549,000,000	4.5	34,414,000,000
AMP, Inc.	1,446,692,000	85	1,701,990,000
Avnet, Inc.	1,439,498,000	87	1,646,403,000
Tektronix, Inc.	1,435,810,000	100	1,435,810,000
Teledyne, Inc.	1,429,800,000	42.5	3,364,300,000
General Signal Corp.	1,352,723,000	75	1,803,363,000
Gould, Inc.	1,347,600,000	100	1,347,600,000
Penn Central Corp.	1,365,780,000*	51	2,678,000,000*
Data General Corp.	1,257,300,000	100	1,257,300,000
Ford Aerospace & Comm. Corp.	1,133,768,000	76	1,491,800,000
Singer Corp.	1,126,600,000	46.2	2,438,600,000
Perkin-Elmer Corp.	1,008,000,000*	75	1,344,400,000*
Varian Associates	1,003,400,000	100	1,003,400,000
General Instrument Corp.	973,802,000	100	973,802,000
M/A-Com, Inc.	834,075,000	100	834,075,000

*Estimated by *Electronic News*

+Based on latest available figures as gathered by *Electronic News.*

(Reprinted from *Electronic News* – August 19, 1985)

LOOKING AT THE LEADERS 1985

	STOCK PRICES		%	STOCK PRICES EARNINGS PER SHARE (A)		P/E RATIOS (B)		EPS(C)		SALES (Millions) ACTUAL	
	6-30-85	6-30-84	CHG	1985	1984	1985	1984	PRO-JECTED 1985	ACTUAL 1984	Last Four Quarters 1985	Year End 1985/84
Allied	42 5/8	31 5/8 S	34.9	$5.28	$4.42	8	8	$5.25	$5.03	$10,569	$10,734
AMP	32 1/4	32 S	F	1.43	1.70	26	15	1.35	1.87	1,701	1,812
Apple Computer	18	24 3/4	27.3	1.18	1.05	32	24	.50	1.05	1,985	1,515
AT&T Technologies	24 1/4	NA	NA	1.34	NA	13	NA	1.68	1.25	33,320	33,187
Avnet	30 1/2	33	-7.6	1.84	2.22	24	13	1.40	2.44	1,646	1,635
Burroughs	58 1/2	53 1/4	9.9	5.41	4.99	12	10	5.40	5.40	4,906	4,808
Control Data	25 7/8	30 7/8	-16.0	6.75	3.73	NA	7	1.00	.81	5,126	5,026
Data General	37 3/8	47	-20.5	2.31	1.90	16	21	1.00	3.08	1,257	6,686
Digital Equipment	93 7/8	84	11.0	8.04	4.96	14	15	7.40	5.73	6,686	1,100
E.I. du Pont de Nemours	58 1/4	50 1/2	15.3	3.93	3.75	13	9	4.75	5.93	34,414	35,915
Eaton	51 1/4	41	25.0	7.60	4.63	7	6	7.25	7.85	3,919	3,509
Ford Aerospace & Communications				SUBSIDIARY						1,491	1,691
General Electric	61 7/8	52 1/2	17.8	5.10	1.72	12	10	5.40	5.03	27,739	27,947
General Instrument	15 7/8	21 1/4	-25.3	d.70	.97	NA	14	25	d.30	973	994
General Motors	72	65 3/8	10.1	10.80	14.87	6	4	12.00	14.22	87,373	73,053
General Signal	45 7/8	43 3/8	5.8	3.84	3.31	11	13	3.90	3.80	1,803	1,786
Gould	25 1/8	26	F	d3.37	1.85	15	11	d1.53	.40	1,347	1,399
GTE	40 3/4	37 3/8	8.0	5.17	5.20	8	7	5.35	5.32	15,030	14,547
Harris	28 3/8	25 1/8	12.8	2.20	1.83	13	13	2.05	2.02	2,259	2,281
Hewlett-Packard	35	36 1/2	-4.1	2.13	1.84	17	18	2.10	2.59	6,455	6,044
Honeywell	61 5/8	52 7/8 S	16.5	6.31	5.68	10	9	6.30	6.60	6,231	6,073
Hughes Aircraft				PRIVATELY HELD						4,925	4,925
Intel	26	30 1/4	-14.0	.97	1.59	NA	15	.20	1.70	1,582	1,629
IBM	123 3/4	105 3/4	17.0	10.06	9.82	13	10	11.00	10.77	$46,356	45,937
ITT	32	31 3/8	-2.0	3.20	3.58	12	6	3.00	2.97	20,006	19,600
Litton	82 1/4	73 1/2	11.9	6.96	7.09	11	12	7.25	7.34	4,620	4,605
M/A-Com	19 1/2	17 1/8	15.1	1.00	.90	17	19	1.20	.30	834	788
Motorola	34 1/8	33 3/8 S	1.9	2.34	2.86	15	11	.95	3.27	5,550	5,534
National Semiconductor	12	12 1/4	-F	.38	.75	37	16	20	.66	1,787	1,787
NCR	30 5/8	24 1/2 S	24.0	3.26	2.86	10	8	3.20	3.30	4,069	4,074
N. A. Philips	35	32 1/8	8.9	4.53	4.04	9	9	4.25	4.53	4.692	4,325
Northern Telecom	36 1/8	33 5/8	7.3	3.14	2.11	11	12	3.40	2.76	3,845	3,196
Penn Central	53 1/8	46 1/4	14.9	4.24	d.16	12	d	4.25	4.45	2,678	1,182
Perkin-Elmer	25 1/2	20 3/4	22.9	1.96	1.21	14	17	1.80	1.49	1,344	1,182
Raytheon	50	38	31.6	4.26	3.72	11	9	4.60	2.88	6,110	5,996
RCA	47 5/8	31 5/8	49.8	3.71	3.36	11	10	4.00	2.38	10,207	10,111
Rockwell International	37 1/4	27 1/2	35.5	3.99	2.06	10	8	4.00	3.25	9,883	8,322
Schlumberger	38 5/8	45 1/4	-14.6	3.86	3.79	10	11	3.95	4.10	6,259	6,370
Singer	36 3/4	28	26.7	3.56	1.14	10	12	4.00	2.57	2,438	2,518
Sperry	53	37 1/8	42.8	5.69	3.98	9	7	5.75	5.15	6,151	5,887
Tandy	35 3/4	26	37.5	2.13	2.66	16	9	2.05	2.75	2,804	2,736
Tektronix	60 1/2	56 3/4	6.6	4.41	5.02	14	14	4.41	6.15	1,435	1,435
Teledyne	257 3/8	240 5/8	7.1	46.62	30.26	5	14	35.00	37.69	3,364	3,494
Texas Instruments	95 5/8	128 3/4	-25.7	6.37	d3.48	16	9	10.00	13.05	5,462	5,741
TRW	74 7/8	62 1/4	20.3	7.23	6.10	11	9	7.50	7.14	6,417	6,062
United Technologies	41 1/2	32 1/4 S	28.7	3.97	4.12	12	8	3.50	4.90	16,266	16,330
Varian Associates	29 3/8	39	-24.7	1.51	2.41	16	14	2.50	2.72	1,003	928
Wang Laboratories	18	28 1/4	-36.3	.11	1.40	NA	19	.11	1.52	2,351	2,351
Westinghouse Electric	34 3/8	22 S	65.3	3.21	2.81	11	7	3.45	3.04	10,306	10,264
Xerox	52 5/8	38 3/8	37.1	3.69	4.37	15	9	4.50	2.53	8,489	8,792
Zenith Electronics	19 7/8	23 3/4	-16.3	1.65	2.70	8	8	.50	2.88	1,745	1,716

(A) – Earnings per-share for the 12 months through June 30.
(B) – Price-earnings ratio for the 12 months through June 30.
(C) – Earnings per-share as actually reported for either fiscal 1985, or calendar 1984.

F – Fractional Change.
NA – Not Available
S – Stock Split.
D – Deficit.

AAR Corp.

2100 Touhy Avenue
Elk Grove Village, Illinois 60007
(312) 437-9300

Officers: Ira A. Eichner, chairman of the board, president & chief executive officer; Ben C. Brostoff, v.p. & secretary; Robert A. Cameron, v.p.-operations and finance & treasurer; Jan van den Berg, v.p.-Europe; Barton J. Levin, v.p.-corp. planning & development; Joseph J. Dzurinko, v.p. & controller; A. Lee Hall v.p.-commercial & military aviation group; Sam G. Ayoub, v.p.-technical services marketing; A.C. Richards, v.p.-industrial group.

Directors: Ira A. Eichner*, chairman; Robert C. Stuart*, Ben C. Brostoff*, Robert A. Cameron, Herbert K. Cummings, Lee B. Stern, Edward H. Perkins, Edgar D. Jannotta, Robert D. Judson*, Erwin E. Schulze*, Edward Donnell, Jan van den Berg.

* Member of the Executive Committee.

Areas of Work: Engaged in the overhaul and certification of communications and navigation equipment (avionics), engines, engine parts, and airframe parts; design, manufacture and marketing of proprietary instrumentation; associated distribution of parts and accessories for general aviation, and flight instruction; and line and shop maintenance of engines, propellers, airframes, avionics and accessories.

Divisions:

Allen Aircraft
2100 Touhy Avenue
Elk Grove Village, Illinois 60007
(312) 437-9300

Aeronetics
2100 Touhy Avenue
Elk Grove Village, Illinois 60007
(312) 437-9300

Subsidiaries:

AAR Aviation Supply
Portland-Troutdale Airport
Troutdale, Oregon 97060
(503) 665-1181

AAR Technical Service Center Corp.
747 Zeckendorf Boulevard
Garden City, New York 11530
(516) 222-9000

AAR Oklahoma, Inc.
Will Rogers World Airport
P.O. Box 19508
Oklahoma City, Oklahoma 73119
(405) 681-2361

Allen Aircraft Hardware, Inc.
3309 N.W. 55th Street
Fort Lauderdale, Florida 33309
(305) 486-5040

Allen-Airmotive International, Inc.
705 Kruisweg
Hoofddorp, The Netherlands

Avia Radio A/S
Hangar 141
Copenhagen Airport
2791 Dragoer, Denmark

AAR Del Monte, Inc.
Monterey Peninsula Airport
P.O. Box 1311
Monterey, California 93940
(408) 373-4151

Mars Aircraft Radio Service Company of New Jersey
Hangar 3
Teterboro Airport
Teterboro, New Jersey 07508
(201) 288-0222

Technisch Handelskantoor Lloyd, B.V.
Kruisweg 703
Hoofdoorp, The Netherlands

AAR Western Skyways, Inc.
Portland-Troutdale Airport
Troutdale, Oregon 97060
(503) 665-1181

Allen-Airmotive International (France) S.A.R.L.
30, Avenue de l'Amiral Lemonnier
78160 Marly le Roni
Paris, France

Abscoa Industries, Inc.
200 Saw Mill River Road
Hawthorne, New York 10532
(914) 747-0500

Abscoa Industries, Inc.
3160 West El Segundo Boulevard
Hawthorne, California 90250
(213) 970-0886

AAR Energy Services Corp.
747 Zeckendorf Blvd.
Garden City, New York 11530
(516) 747-6400

Jet International Corp.
3330 Dundee Road, Suite C-3
Northbrook, Illinois 60062
(312) 480-9440

Brooks & Perkins/Advanced Structures
12633 Inkster Road
Livonia, Michigan 48150
(313) 539-2000

Brooks & Perkins/Brownline
2950 Lomita Boulevard
Torrance, California 90509
(213) 539-0320

Brooks & Perkins/Skydyne
River Road
Port Jervis, New York 12771
(914) 856-6655

Brooks & Perkins/Materials Handling
P.O. Box 1227
Anderson & Taylor Streets
Aberdeen, North Carolina 28315
(919) 944-2167

Brooks & Perkins/Cadillac Manufacturing
201 Haynes Boulevard
Cadillac, Michigan 49601
(616) 775-8715

AAR Pacific Pte. Ltd.
Building 550
West Camp
Seletar Airport
Singapore 2879

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AIR

Number of Employees:

1984	1,391	1981	932
1983	1,320	1980	896
1982	1,460		

Plant Footage:

1984	2,000,000 sq. ft.	1981	1,800,000
1983	1,800,000	1980	1,000,000
1982	1,800,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 177,762,000	$ 4,487,000
1983	155,006,000	2,795,000
1982	175,924,000	1,225,000
1981	132,482,000	3,606,000
1980	130,617,000	3,721,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	4,603,000	$ 0.97
1983	3,920,000	0.71
1982	3,716,000	0.33
1981	2,486,000	1.45
1980	2,216,000	1.68

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Commercial & military aviation	$ 127,794,000	$ 105,678,000
Energy & industry	22,266,000	19,060,000
Business & private aviation	27,702,000	30,268,000
Total	$ 177,762,000	$ 155,006,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.44	—	—
1983	0.44	—	—
1982	0.44	—	—
1981	0.41	—	—
1980	0.38	—	5-for-4

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 81,085,000	$ 17.62
1983	43,225,000	11.03
1982	42,423,000	11.42
1981	29,398,000	11.83
1980	25,359,000	11.44

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended May 31	1984	1983
Net sales	$ 177,762,000	$ 155,006,000
Cost of sales	139,011,000	121,744,000
Expenses	27,828,000	23,905,000
Interest expense	2,646,000	4,502,000
Marketable securities	890,000	—
Income before taxes	$ 7,387,000	$ 4,855,000
Income taxes	2,900,000	2,060,000
Net Income	$ 4,487,000	$ 2,795,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,285,000 in 1984 and $3,811,000,000 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 1,203,000	$ 998,000
Marketable securities	7,831,000	—
Accts. receiv., net	34,951,000	27,765,000
Refund inc. taxes	250,000	1,200,000
*Inventories	41,764,000	32,080,000
Prepaid expenses	6,527,000	7,613,000
Current Assets	$ 92,526,000	$ 69,656,000
#Fixed assets	33,648,000	31,946,000
Other assets	11,054,000	9,686,000
Total Assets	$ 137,228,000	$ 111,288,000

Liabilities

Notes payable	$ 1,466,000	$ 10,152,000
Long-term debt, curr.	1,312,000	1,073,000
Accts. payable	21,960,000	15,815,000
Accruals	9,999,000	9,865,000
Income taxes	1,966,000	1,854,000
Curr. Liabilities	$ 36,703,000	$ 38,759,000
Long-term debt:		
Due to banks & others	13,040,000	23,504,000
Deferred inc. taxes	6,400,000	5,800,000
+ Common stock	6,049,000	4,049,000
Add. paid-in capital	56,914,000	24,039,000
Retained earnings	19,030,000	16,508,000

Cum. trans. adjust.	(643,000)	(627,000)
Treasury stock	(265,000)	(744,000)
Total Liabilities & Shareholders' Equity	$ 137,228,000	$ 111,288,000

* At lower of cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	4.16	3.13
%Net Income to Sales	2.52	1.80
%Net Income to Equity	5.53	6.47
Sales to Inventories	4.26	4.83
Working Capital	$55,823,000	$30,897,000
Current Ratio	2.52	1.80
Shareholders' Equity	$81,085,000	$43,225,000

AccuRay Corporation

(formerly Industrial Nucleonics Corporation)

650 Ackerman Road
Columbus, Ohio 43202
(614) 261-2000

Officers: David L. Nelson, president; Christopher J. Campbell, exec. v.p.; William L. Adams, John E. DeWitt, Herbert J. Kahn, James D. Mitchell, sr. v.p.'s; Robert E. Swenson, sr. v.p.- finance; Mark K. Duyck, European controller; Walter H. Canter, Jr., Maxwell L. Close, Donald D. Danison, John E. Eickelberg, David J. Foster, Dennis A. Orwig, Douglas J. Spence, John T. Fleckenstein, John C. Witherspoon, v.p.'s; Ladd R. Grapski, controller, Robert F. Zust, treasurer; Vincent J. Mahoney, dir.-European finance; Ronald F. Shuff, secretary and general counsel.

Directors: Edward McC. Blair, Christopher J. Campbell, Henry R. Chope, William M. McLaughlin, David L. Morrison, David L. Nelson, George F. Schlaudecker, Robert E. Swenson, J. Laurence Kulp.

Areas of Work: Manufactures process management systems for the pulp and paper, tobacco, metals, and plastics markets. AccuRay systems are designed to minimize quality variation and to increase production.

Divisions and Subsidiaries:

AccuRay Argentina
Av. Santa Fe 1780
Officina 907/8
1060 Buenos Aires, Argentina

AccuRay Australia Pty. Ltd.
Suite 5, Forum Center
522/24 Kingsway
Miranda, NSW 2228

AccuRay International
Genevestraat 10
1140 Brussels, Belgium

AccuRay Sistemas Limitada
Rua Beneficencia Portuguesa, 24
S/411
CEP. 01033
Sao Paulo, Brasil

AccuRay of Canada Ltd.
3525 Ashby
St. Laurent
Quebec, Canada H4R 2C1

AccuRay Finland Oy
Salomonkatu 17 A 12
00100 Helsinki 10
Finland

AccuRay France S.A.R.L.
8 Rue Auguste-Renoir
78400 Chatou, France

AccuRay Deutschland GmbH
Holzgasse 29-33
52 Siegburg
West Germany

AccuRay Limited
Finnabair Industrial Park
Dundalk, County Louth
Ireland

AccuRay Italia S.r.l.
Via A. Volta 16
20093 Cologno Monzese (Milan)
Italy

AccuRay Japan Ltd.
New Kudan Building No. 7
3-Chome Kanda-Jimbocho
Chiyoda-ku
Tokyo 101, Japan

AccuRay Mexico S.A. de C.V.
Avenida de las Palmas 731-704
Piso 7
Lomas de Chapultepec
Mexico 10 D.F., Mexico

AccuRay Australia Pty. Ltd.
65 Marguerita Street
P.O. Box 1643
Rotorua, New Zealand

AccuRay Singapore
55 Ayer Rajah Crescent #07-17/19
Ayer Rajah Industrial Estate
Singapore 0513

AccuRay S.A. (Pty.) Ltd.
7th Floor
Standard Bank Building Arcade
4th Street
Springs, South Africa

AccuRay Espana, S.A.
C/Milanesado 21-23
Barcelona 17, Spain

AccuRay Scandinavia A.B.
Bergshojden 32
Box 7102
S-17207 Sundbyberg, Sweden

AccuRay South Korea
Room 1105, Lions Buildng
50-6 Chung Moo Ro 2KA
Chung-ku Seoul
South Korea

AccuRay (U.K.) Limited
Coronation Road
Cresses Industrial Estates
High Wycombe HP12 3TA
England

U.S. Offices:
Mobile, Alabama
Suffield, Connecticut
Portland, Oregan
Greenville, South Carolina
Appleton, Wisconsin

Transfer Agent(s):

AmeriTrust Company
Corporate Trust Division
P.O. Box 6477
Cleveland, Ohio 44101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ACRA (NASDAQ)

Number of Employees:

1984	1,840
1983	1,770
1982	1,790
1981	1,845
1980	1,905

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 63,902,000	$ 6,787,000
1983	56,204,000	5,255,000
1982	50,017,000	3,833,000
1981	51,027,000	3,170,000
1980	49,311,000	2,232,000

	No. of Com. Shares	Earn. per Shares #
1984	4,159,281	$ 1.64
1983	4,138,968	1.31
1982	3,559,486	1.08
1981	3,542,396	0.90
1980	3,522,131	0.64

‡ Including revenues from sales and rentals.
# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.16	—	—
1982	0.14	—	—
1981	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 45,809,000	$ 11.01
1983	40,003,000	9.66
1982	25,668,000	7.21
1981	22,254,000	6.45
1980	19,324,000	5.49

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 63,902	$ 56,204
Other income	61,945	60,320
Total income	$ 125,847	$ 116,524
Cost of sales	79,403	72,478
Expenses	38,655	36,364
Interest expense	743	1,987
Other deductions (gains)	(468)	26
Income before taxes	$ 7,514	$ 5,669
Income taxes	727	414
Net Income	$ 6,787	$ 5,255

* Included in Costs and Expenses, Depreciation and Amortization: $2,717,000 in 1984 and $2,111,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 9,300	$ 7,313
Accts. receiv.	36,621	30,279
*Inventories	28,660	25,974
Prepaid expenses	4,365	1,931
Current Assets	$ 78,946	$ 65,497
#Lease/rental agmts.	1,009	763
#Fixed assets	16,136	16,110
Other assets	4,685	3,469
Total Assets	$ 100,776	$ 85,839

Liabilities
(000's)

Notes payable	$ —	$ 507
Long-term debt, curr.	1,212	1,548
Accts. payable	8,055	4,230
Accruals	16,622	10,956
Income taxes	848	704
Curr. Liabilities	$ 26,737	$ 17,945
Long-term debt	9,082	10,051
Conv. subord. 5½% debent.	10,500	11,175
Deferred income	5,145	4,211
Deferred inc. taxes	3,503	2,454
+Common stock	4,310	4,290
Add. paid-in capital	13,526	13,353
Retained earnings	29,181	23,568
Treasury stock	(1,208)	(1,208)
Total Liabilities & Shareholders' Equity	$ 100,776	$ 85,839

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Total Income	5.97	4.87
%Net Income to Total Income	5.39	4.51
%Net Income to Equity	14.82	13.14
Working Capital	$52,209,000	$47,552,000
Current Ratio	2.95	3.65
Shareholders' Equity	$45,809,000	$40,003,000

Acme Electric Corporation

Security Trust Company Building
260 N. Union Street
Olean, New York 14760
(716) 373-3050

Officers: Kirk E. Hampton, chairman of the board; James W. McLaughlin, president, chief exec. officer & treasurer; Joseph Pinker, v.p. & gen. mgr.-Engineered Products Division; J. Thomas Odell, v.p.-human resources; Thomas G. Long, v.p. & Gen. Mgr.-Acme Transformer Division; Thomas P. Sullivan, v.p. & Gen. Mgr.-Beehive Division; Daniel K. Cowin, v.p. & controller; David G. Anderson, secretary & general counsel.

Directors: K.E. Hampton*, chairman; R. Hartley Bond, W. Bennett Conner, G. Wayne Hawk*, J.W. McLaughlin*, M.J. Valicenti, Henry H. Coords, H. Craig Casey, Jr.

* Member of Executive Committee.

Areas of Work: Dry type power distribution transformers, regulated D.C. power supplies, constant voltage transformers, static power rectifiers, motor starting reactors and reactor packs, machine tool control transformers, stepdown and tapped winding transformers, voltage adjusting transformers, saturable reactors, magnetic amplifier power controls, military type power supplies, power line regulators, special purpose transformers, frequency control equipment, automotive battery chargers, communication power supplies and magnetic components power supplies for electrostatic applications, specification line transformers.

Divisions and Subsidiaries:

Standard Power, Inc.
1400 S. Village Way
Santa Ana, California 92705
(714) 558-8512
Manufactures power conversion equipment.

Engineered Products Division
Cuba, New York
Manufactures consumer battery chargers.

Acme Transformer Division
Salt Lake City, Utah
Manufactures transformers.

Beehive Division
Salt Lake City, Utah
Produces custom magnetics.

Transfer Agent(s):

The Bank of New York
48 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: ACE

Number of Employees:

1984	N.A.	1981	1,350
1983	N.A.	1980	1,060
1982	1,000		

Plant Footage:

1984	N.A.	1981	413,000
1983	N.A.	1980	413,000
1982	535,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 66,015,000	$ 2,260,000
1983	49,916,000	126,000
1982	61,986,000	2,386,000
1981	52,372,000	3,054,000
1980	49,976,902	2,833,788

	No. of Com. Shares #	Earn. per Share #
1984	3,587,656	$ 0.63
1983	3,595,857	0.04
1982	3,613,706	0.66
1981	3,586,254	0.85
1980	3,591,850	0.79

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.32	10%	—
1983	0.29	5%	—
1982	0.27	5%	—
1981	0.23	5%	—
1980	0.19	5%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 20,095,000	$ 5.60
1983	18,801,000	5.27
1982	20,030,000	5.54
1981	18,618,000	5.15
1980	16,207,110	4.54

# Adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 66,015,000	$ 49,916,000
Cost of sales	49,861,000	39,241,000
Expenses:		
Res. & engr.	4,101,000	3,775,000
Sell. & admin.	7,299,000	5,917,000
Interest expense	604,000	637,000
Litigation settlement	—	258,000
Income before taxes	$ 4,150,000	$ 88,000
Income taxes (credit)	1,890,000	(38,000)
Net Income	$ 2,260,000	$ 126,000

* Included in Costs and Expenses, Depreciation: $1,220,000 in 1984 and $1,223,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 649,000	$ 850,000
Short-term investments	739,000	1,184,000
Accts. receiv., net	9,650,000	7,434,000
*Inventories	12,017,000	9,280,000
Other curr. assets	455,000	681,000
Current Assets	$ 23,510,000	$ 19,429,000
#Fixed assets	9,726,000	10,879,000
Total Assets	$ 33,236,000	$ 30,308,000

Liabilities

Long-term debt, curr.	$ 576,000	$ 560,000
Accts. payable	3,377,000	2,554,000
Accrued comp. & other	1,992,000	961,000
Curr. Liabilities	$ 5,945,000	$ 4,075,000
Long-term debt	6,630,000	7,123,000
Deferred inc. taxes	566,000	309,000
+ Common stock	3,807,000	3,467,000
Add. paid-in capital	10,653,000	7,645,000
Retained earnings	6,642,000	8,715,000
Treasury stock	(1,007,000)	(1,026,000)
Total Liabilities & Shareholders' Equity	$ 33,236,000	$ 30,308,000

* At lower of current cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.29	0.18
%Net Income to Sales	3.42	0.25
%Net Income to Equity	11.25	0.67
Sales to Inventories	5.49	5.38
Working Capital	$17,565,000	$15,354,000
Current Ratio	3.95	4.77
Shareholders' Equity	$20,095,000	$18,801,000

ADAC Laboratories

4747 Hellyer Avenue
San Jose, California 95138
(408) 736-1101

Officers: Q. T. Wiles, chairman of the board; Charles W. Cantoni, president & chief executive officer; John M. Burgess, exec. v.p.; James J. Heffernan, v.p. & chief financial officer; George D. Holmes, exec v.p.; Stephen J. Weiss, exec. v.p.

Directors: Q. T. Wiles, chairman; Charles W. Cantoni, William R. Hambrecht, Peter E. Jackson, Robert A. Kleist, Thomas S. Volpe.

Areas of Work: The Corporation designs and manufactures digital radiography image processing systems which utilize digital images as opposed to the conventional film used in radiology. The system processor is a computer controlled image processing system with real-time image manipulation hardware, digital data storage via magnetic disc drives, an analog video disc recorder and interface electronics for connection to X-Ray fluoroscopy systems. ADAC is also involved in the design and manufacture of nuclear medicine image processing systems which accept images from the scintillation cameras used in nuclear medicine, convert them to digital form and store them for further analysis.

Other products include radiation therapy planning systems which develop precise radiation dosemetry plans for individual cancer patients using display terminals; X-Ray products, and research and development.

Divisions and Subsidiaries:

Digital Radiography Computer Systems Division
Nuclear Medicine Division
Radiation Therapy Division
Field Service Division
International Division
X-Ray Systems Division
Radiology Management Systems Division
Advanced Marketing and Technology Division

Mid-Continent Computer Services, Inc.
Manufactures radiology information systems.

Transfer Agent(s):

Union Bank
3810 Wilshire Boulevard
Los Angeles, California 90010

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ADAC (NASDAQ)

Number of Employees:

1984	750	1981	443
1983	1,010	1980	349
1982	665		

Plant Footage:

1983	350,000 sq. ft.	1981	130,000
1982	N.A.	1980	130,000

N.A.-Not Available

ADAC Laboratories

Sales and Earnings

	Net Sales	Net Income
1984	$ 59,259,000	$ (33,139,000)
1983	73,109,000	4,805,000
1982	52,800,000	4,846,000
1981	22,943,000	220,000
1980	18,782,000	880,000

	No. of Com. Shares #	Earn. per Share #
1984	9,436,000	$ —
1983	9,402,000	0.51
1982	7,917,000	0.61
1981	6,521,000	0.03
1980	5,271,000	0.17

(Loss)
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 21,103,000	$ 2.24
1983	53,867,000	5.73
1982	29,078,000	3.67
1981	15,096,000	2.31
1980	7,443,000	1.41

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 59,259	$ 73,109
Cost of sales	52,813	40,697
Expenses	41,461	27,720
Interest expense	2,803	353
Interest income	(1,354)	(1,924)
Income (loss) before taxes	$ (36,757)	$ 6,263
Income taxes (credit)	(3,618)	1,458
Net Income (Loss)	$ (33,139)	$ 4,805

* Included in Costs and Expenses, Depreciation and Amortization: $4,283,000 in 1984 and $2,614,000 in 1983.

Assets
(000's)

As at Sept. 30	1984	1983
Cash	$ 1,182	$ 1,215
Market. securities	—	10,186
Accts. receiv., net	22,999	22,502
*Inventories	31,071	32,378
Prepaid expenses	364	899
Current Assets	$ 55,616	$ 67,180
#Fixed assets	17,833	12,008
Tax benefits lease trans.	2,423	2,383
Total Assets	$ 75,872	$ 81,571

Liabilities
(000's)

Notes payable	$ 10,564	$ 6,000
Long-term debt, curr.	2,474	648
Accts. payable	12,680	9,389
Accrued payroll	2,024	2,574
Income taxes	13	2,240
Deferred serv. rev.	3,013	2,202
Other accrued liab.	4,227	2,089
Curr. Liabilities	$ 34,995	$ 25,142
Long-term debt	19,774	1,450
Deferred taxes	—	1,112
+ Common stock	43,091	42,716
Retained earn. (deficit)	(21,988)	11,151
Total Liabilities & Shareholders' Equity	$ 75,872	$ 81,571

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	—	8.57
% Net Income to Sales	—	6.57
% Net Income to Equity	—	8.92
Sales to Inventories	1.91	2.26
Working Capital	$20,621,000	$42,038,000
Current Ratio	1.59	2.67
Shareholders' Equity	$21,103,000	$53,867,000

Adage, Inc.

(46.4% owned by American Research and Development Division of Textron Inc.)

One Fortune Drive
Billerica, Massachusetts 01821
(617) 667-7070

Officers: Richard N. Spann, president & chief executive officer; John P. Cunningham, exec. v.p. & treasurer, Brijeshwari Presad, executive vice president; Frederick E. Shirk, sr. v.p.; Peter H. Emery, J.N. England, III, Seymour Yalen, Richard D. Fiorentino, James H. Hardie, Henry H. Rich, v.p.'s; Andrew E. Taylor, Jr., clerk.

Directors: Harlan E. Anderson, Charles J. Coulter, Jr., William B. Mitchell, William Wolfson, Richard N. Spann, Michael J. Wozny.

Areas of Work: Manufactures, develops and sells interactive computer graphics systems and subsystems, primarily for use in problem solving through interaction with computer generated graphics displays.

Subsidiaries:

Adage S.r.l.
Milen, Itay
331/456024

Adage GmbH
Wiesbaden, West Germany
6121/700034

Adage Ltd.
Wakefield, England
924-367121

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ADGE (NASDAQ)

Sales and Earnings

	Net Sales	Net Income †
1985	$ 33,840,000	$ 1,549,000
1984	42,458,000	4,334,000
1983	31,250,000	3,087,000
1982	22,946,316	1,871,988
1981	13,690,591	834,675

	No. of Com. Shares ‡	Earn. per Share #
1985	4,713,814	$ 0.33
1984	4,661,588	0.92
1983	4,588,980	0.83
1982	3,114,780	0.64
1981	2,284,532	0.36

‡ Adjusted to reflect stock splits.
# Based on the weighted average number of common shares and special class common stock outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	2-for-1
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 43,846,000	$ 9.30
1984	42,122,000	9.04
1983	37,333,000	8.14
1982	12,022,705	3.86
1981	3,146,217	1.38

‡ Adjusted to reflect stock splits.

Income Account *

Year ended	3/30/85	3/31/84
Net sales	$ 33,840,000	$ 42,458,000
Service contracts	8,834,000	6,985,000
Total operating revenues	$ 42,674,000	$ 49,443,000
Cost of sales	25,210,000	26,977,000
Expenses	16,179,000	15,974,000
Interest expense	339,000	175,000
Interest income	(1,399,000)	(1,617,000)
Other expenses	133,000	—
Income before taxes	$ 2,212,000	$ 7,934,000
Income taxes	663,000	3,600,000
Net Income	$ 1,549,000	$ 4,334,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,466,000 in 1985 and $1,881,000 in 1984.

Assets

As of	3/30/85	3/31/84
Cash & term deposits	$ 11,552,000	$ 17,434,000
Accts. receiv., net	10,889,000	11,784,000
*Inventories	16,324,000	11,329,000
Prepaid expenses	1,154,000	905,000
Current Assets	$ 39,919,000	$ 41,452,000
#Fixed assets	9,402,000	7,261,000
Other assets	6,950,000	6,749,000
Total Assets	$ 56,271,000	$ 55,462,000

Liabilities

Cap. lease oblig., curr.	$ 483,000	$ 212,000
Accts. payable	3,986,000	4,702,000
Accrued empl. compens.	1,649,000	1,710,000
Inc. taxes pay.	1,417,000	1,989,000
Other current liabilities	612,000	1,214,000
Curr. Liabilities	$ 8,147,000	$ 9,827,000
Cap. lease oblig.	1,713,000	866,000
Debentures 7½%	1,254,000	1,454,000
Deferred inc. taxes	456,000	445,000
Deferred inc. tax credits	855,000	748,000
+ Common stock	471,000	466,000
Add. paid-in capital	30,809,000	30,465,000
Retained earnings	12,740,000	11,191,000
Cuulative trans. adj.	(174,000)	—
Total Liabilities & Shareholders' Equity	$ 56,271,000	$ 55,462,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	5.18	16.05
%Net Income to Revenues	3.63	8.77
%Net Income to Equity	3.53	10.29
Working Capital	$31,772,000	$31,625,000
Current Ratio	4.90	4.22
Shareholders' Equity	$43,846,000	$42,122,000

Adams-Russell Co., Inc.

1380 Main Street
Waltham, Massachusetts 02154
(617) 894-8540

Officers: Gerald J. Adams, chairman of the board; John J. Lynch, president & chief executive officer; David J. McLachlan, v.p., finance & secretary; Joseph S. Batal, v.p.-human resources; James Connolly, group v.p.-Electronics & Instruments; William C. Henchy, v.p.; Trevor Lambert, v.p.-corporate development; Harold H. Leach, group v.p.-Aerospace Products; John Brockinan, v.p.-cable services; Kennett F. Burnes, clerk.

Directors: Gerald J. Adams, George B. Foote, Jeptha H. Wade, Jr., John J. Lynch, John G. Mulvany, George H. Gage.

Areas of Work: Designs and manufactures microwave products and digital systems. Owns and operates CATV systems and manufactures automated advertising insertion equipment for the cable television industry.

Divisions and Subsidiaries:

Electronic Products

Radio-microwave components for signal processing distribution and electronic intelligence collection, radar and aerospace electronics; antennas, waveguide and coaxial cable assemblies; fabrication of electronic packaging, digital signal processing systems, surveillance receivers and instrumentation.

Anzac Division
80 Cambridge Street
Burlington, Massachusetts 02154
(617) 273-3333

448 Griffin Road
Bangor, Maine 04401
(287) 942-7391

Antenna and Microwave Division
Haverhill Road
Amesbury, Massachusetts 01913
(617) 388-5210

Brazonics Division
Haverhill Road
Amesbury, Massachusetts 01913
(617) 388-2280

Micro-Tel Division
10713 Gilroy Road
Hunt Valley, Maryland 21030
(301) 667-0077

Microwave Products, Division
9533 Irondale Avenue
Chatsworth, California 91311
(213) 882-3434

Digital Processing Division
1370 Main St.,
Waltham, Massachusetts 02154
(617) 891-4700

Cable Services

Operates cable TV services in Maine, New York, Massachusetts, Arkansas and Missouri reaching 139,100 cable TV subscribers; manufactures cable television advertising insertion equipment.

Cable Services Division
280 Bear Hill Road
Waltham, Massachusetts 02154
(617) 890-8850

Video Information Systems Division
1370 Main Street
Waltham, Massachusetts 02154
(617) 894-8540

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02110

Stock Exchange(s): American

Ticker Symbol: AAR

Number of Employees:

1984	1,439	1982	1,350
1983	1,350		

Plant Footage:

1984	402,340 sq. ft.	1981	279,000
1983	391,540	1980	224,100
1982	393,840		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 109,663,000	$ 7,820,000
1983	91,883,000	9,780,000
1982	71,859,000	6,004,000
1981	55,700,000	5,108,000
1980	42,605,000	3,568,000

	No. of Com. Shares #	Earn per Share #
1984	6,116,000	$ 1.28
1983	6,085,000	1.61
1982	5,978,000	1.00
1981	5,932,000	0.86
1980	5,269,000	0.68

+ Of continuing operations only.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Electronic products	$ 76,476,000	$ 68,410,000
Cable services	33,187,000	23,473,000
Total	$ 109,663,000	$ 91,883,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.10	—	—
1982	0.094	50%	—
1981	0.067	—	—
1980	0.053	50%	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 52,994,000	$ 8.66
1983	44,744,000	7.42
1982	34,862,000	5.83
1981	28,883,000	4.87
1980	23,740,000	4.51

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 109,663,000	$ 91,882,700
Cost of sales	64,912,000	56,155,400
Expenses	29,230,000	24,175,900
Interest expense	4,603,000	3,530,900
Interest & other inc.	(195,000)	(518,300)
Income before taxes	$ 11,113,000	$ 8,538,800
Income taxes	3,293,000	1,922,100
Inc.-cont. oper.	$ 7,820,000	$ 6,616,700
Inc.-discont. oper.	—	3,163,200
Net Income	$ 7,820,000	$ 9,779,900

* Included in Costs and Expenses, Depreciation and Amortization: $5,823,800 in 1983 and $3,547,400 in 1982.

Assets

As of Sept 30	1984	1983
Cash	$ 1,986,000	$ 2,665,700
Receiv., net	17,661,000	14,180,800
Long-term contr. not yet billed	1,679,000	912,500
*Inventories	12,296,000	11,312,800
Notes receivable	233,000	291,000
Prepaid & other expenses	1,400,000	1,119,100
Current Assets	$ 35,228,000	$ 30,481,900
#Fixed assets	81,826,000	69,216,700
Other assets	6,319,000	6,465,700
Total Assets	$ 123,373,000	$ 106,164,300

Liabilities

Notes payable	$ 2,707,000	$ 1,229,100
Accts. Payable	3,006,000	4,730,500
Accruals	12,124,000	9,988,900
Curr. Liabilities	$ 17,837,000	$ 15,948,500
Deferred inc. taxes	10,170,000	6,699,600
Notes payable	42,003,000	38,404,400
Accrued deferred comp.	369,000	367,700
+ Common stock	3,139,000	3,115,700
Add. paid-in capital	8,973,000	7,673,600
Retained earnings	41,941,000	34,727,700
Treas. stock	(1,059,000)	(772,900)
Total Liabilities & Shareholders' Equity	$ 123,373,000	$ 106,164,300

* At lower of average cost or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Net Income to Equity	14.76	21.86
Sales to Inventories	8.94	8.12
Working Capital	$17,391,000	$14,533,400
Current Ratio	1.97	1.91
Shareholders' Equity	$52,994,000	$44,744,100

Addmaster Corporation

416 Junipero Serra Drive
San Gabriel, California 91776
(213) 285-1121

Officers: John G. Clary, president, chief exec. officer & treasurer; Milton V. Scozzafava, Harland W. Gerds, v.p.'s; Larry K. Wirtz, v.p & secretary; Grace E. Joyner, secretary & asst. treasurer; Jennie H. Slingmeyer, asst. sec.

Directors: John G. Clary, Arthur J. Damschen, Jr., Harland W. Gerds, Patricia Jean Clarke, John P. Clery.

Areas of Work: Manufactures/assembles and markets electric adding machines, electronic bank teller machines, digital readout printers and optical paper tape readers. The company also distributes cash registers and calculators.

Subsidiaries:

Addmaster Systems, Inc.
Addmaster Export Corporation

Both at:

416 Junipero Serra Drive
San Gabriel, California 91776

Clary Ltd.
12-14 Lower Addiscombe Road
Croydon, Surrey CR96AG
London, England

Addmaster Corporation

Transfer Agent(s):
Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ADDC (NASDAQ)

Number of Employees:

1984	N.A.	1983	111

Plant Footage:

1984	N.A.	1982	80,000
1983	80,000 sq. ft.	1981	123,000

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 4,703,000	$ (1,215,729)
1983	5,788,000	(136,108)
1982	4,636,000	(1,589,407)
1981	5,284,000	(1,009,933)
1980	7,216,000	(497,108)

	No. of Com Shares	Earn. per Share ‡
1984	1,329,720	$ —
1983	1,334,920	—
1982	1,329,720	—
1981	1,331,920	—
1980	1,325,420	—

(Loss)
+ Includes other income.
‡ Based on the average number of shares outstanding

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 764,443	$ 0.57
1983	2,054,166	1.54
1982	2,251,464	1.69
1981	3,843,099	2.89
1980	4,848,657	3.66

Income Account *

Year ended May 31	1984	1983
Net sales & other income	$ 4,702,811	$ 5,787,767
Cost of sales	3,579,235	3,343,030
Expenses	2,042,744	2,294,937
Interest expense	296,561	285,908
Net Loss	$ (1,215,729)	$ (136,108)

* Included in Costs and Expenses, Depreciation: $102,562 in 1984 and $79,581 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 221,044	$ 136,329
Accts. receiv., net	658,278	1,380,178
*Inventories	1,476,829	2,427,195
Prepaid expenses	10,519	27,572
Current Assets	$ 2,366,670	$ 3,971,274
#Fixed assets	1,078,376	1,071,215
Other assets	75,021	82,058
Total Assets	$ 3,520,067	$ 5,124,547

Liabilities

	1984	1983
Notes payable	$ 200,000	$ 248,820
Long-term debt, curr.	69,050	27,029
Accts. payable	664,914	1,092,418
Accruals	101,224	127,606
Other liabilities	78,280	69,650
Curr. Liabilities	$ 1,113,468	$ 1,565,523
Long-term debt	1,642,156	1,504,858
+Common stock	133,492	133,492
Add. paid-in capital	442,523	442,523
Retained earnings	323,612	1,539,341
For. curr. trans. adjust.	(135,184)	(61,190)
Total Liabilities & Shareholders' Equity	$ 3,520,067	$ 5,124,547

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	3.18	2.38
Working Capital	$1,253,202	$2,405,751
Current Ratio	2.13	2.54
Shareholders' Equity	$764,443	$2,054,166

Advanced Micro Devices, Inc.

901 Thompson Place
Sunnyvale, California 94086
(408) 732-2400

Officers: W.J. Sanders, III, chairman of the board, president & chief executive officer; James Downey, sr. v.p.-operations; Richard Previte, sr. v.p.-finance & treasurer; George M. Scalise, sr. v.p., chief adm. officer and secretary; Marvin D. Burkett, v.p. & controller; Steve Zelencik, v.p.-sales & marketing; Anthony Holbrook, exec. v.p. & chief operating officer; Thomas W. Armstrong, v.p. & gen. counsel; Gene Connor, v.p. & group executive; Stan Winvick, v.p.-human resources.

Directors: W.J. Sanders, III, chairman; R. Gene Brown, R. Michael Shanahan, Ulrich Haier, Richard H. Jenrette.

Areas of Work: Designs, develops, manufactures and markets complex monolithic integrated circuits.

Subsidiaries:
Advanced Micro Devices Mikro-Electronik GmbH, Germany
Advanced Micro Devices Sdn. Bhd., Malaysia
Advanced Micro Devices Export Sdn. Bhd., Malaysia
Advanced Micro, Ltd., U.S.A.
Advanced Micro Devices U.K.(Limited), England
Advanced Micro Devices SA, France
Advanced Micro Devices, SRL, Italy
Advanced Micro Devices K.K., Japan
Advanced Micro Devices (Philippines) Inc., Manila
AMD Properties, Inc., U.S.A.
Advanced Micro Devices Overseas Corporation, U.S. and Belgium
Advanced Micro Devices Export Corporation, U.S.A.
Advanced Micro Computers, Inc., U.S.A.
Advanced Micro Devices, A.B., Sweden

Transfer Agent(s):
Bank of America, NT & SA
P.O. Box 37002
San Francisco, California 94137

Bank of America, NT & SA
P.O. Box 3210
Church Street Station
New York, New York 10008

Stock Exchange(s): New York

Ticker Symbol: AMD

Number of Employees:

1984	13,067	1981	9,915
1983	10,521	1980	7,976
1982	9,904		

Plant Footage:

1983	1,654,000 sq. ft.	1982	1,292,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 583,346,000	$ 71,111,000
1983	358,345,000	20,983,000
1982	281,580,000	8,950,000
1981	309,391,000	24,684,000
1980	225,593,000	23,277,000

	No. of Com. Shares ×	Earn. per Share ×
1984	57,642,000	$ 1.23
1983	53,694,000	0.39
1982	48,874,000	0.18
1981	47,682,000	0.52
1980	45,532,000	0.51

× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	100%	—
1983	—	50%	—
1982	—	—	—
1981	—	100%	—
1980	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 278,574,000	$ 4.83
1983	183,354,000	3.41
1982	131,974,000	2.70
1981	118,600,000	2.49
1980	87,513,000	1.92

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended	3/25/84	3/27/83
Net sales	$ 583,346	$ 358,345
Cost of sales	276,522	195,008
Expenses	209,541	145,513
Interest expense	851	1,841
Income before taxes	$ 96,432	$ 15,983
Income taxes (credit)	25,321	(5,000)
Net Income	$ 71,111	$ 20,983

* Included in Costs and Expenses, Depreciation and Amortization: $43,630,000 in 1984 and $30,371,000 in 1983.

Assets
(000's)

As of	3/25/84	3/27/83
Cash & cert. of deposit	$ 35,043	$ 28,867
Accts. receiv., net	115,214	59,445
*Inventories	59,352	31,067
Prepaid expenses & inc. taxes	6,019	2,751
Deferred income taxes	25,436	—
Current Assets	$ 241,064	$ 122,130
#Fixed assets	269,985	184,413
Other assets	1,227	1,055
Total Assets	$ 512,276	$ 307,598

Liabilities
(000's)

	3/25/84	3/27/83
Notes payable	$ 10,797	$ 6,543
Long-term debt, curr.	2,578	2,470
Accts. payable	68,467	32,737
Accruals	52,899	24,324
Deferred income	32,987	15,923
Income taxes	4,845	445
Curr. Liabilities	$ 172,573	$ 82,442
Long-term debt	27,425	37,302
Deferred inc. taxes	33,704	4,500
+Common stock & add. paid-in capital	108,077	83,700
Retained earnings	170,497	99,654
Total Liabilities & Shareholders' Equity	$ 512,276	$ 307,598

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.53	4.46
%Net Income to Sales	12.19	5.86

%Net Income to Equity	25.53	11.44
Sales to Inventories	9.83	11.53
Working Capital	$ 68,491,000	$ 39,688,000
Current Ratio	1.40	1.48
Shareholders' Equity	$278,574,000	$183,354,000

AEL Industries, Inc.

306 Richardson Road
Montgomeryville, Pennsylvania 18936
(215) 822-2929

Mailing address:

P.O. Box 552
Landsdale, Pennsylvania 19446

Officers: Conrad J. Fowler, chairman; Leon Riebman, president & chief executive officer; George King, v.p. & chief financial officer; John F. Sharkey, v.p.-planning; John R. Cox, secretary & corporate counsel; Jesse H. Riebman, v.p., treasurer & assistant secretary; Raymond Gutowski, v.p. & controller; Mark H. Ronand, v.p.; Richard M. Eisenstaedt, Richard M. Eisenstaedt, asst. secretaries.

Directors: Conrad J. Fowler, chairman; Leon Riebman, Francis J. Dunleavy, Donald H. Miller, Jr., Grinnell Morris, Lloyd W. Moffit.

Areas of Work: Involved with electronic defense products and services, consisting primarily of the design and manufacture of radars, receivers and other electronics equipment and the provision of field engineering services to the United States and foreign governments and their suppliers. Also provides laundry equipment, calibration services, product testing services and technical publication services. Owns and operates a cable television business.

Subsidiaries:

American Electronic Laboratories, Inc.
306 Richardson Road
Montgomeryville, Pennsylvania 18936

Elisra Electronic Systems, Ltd.
Entech Investment Co., Inc.
UltraVest, Corp.

Transfer Agent(s):

Pittsburgh National Bank
Philadelphia, Pensylvania

Mellon Bank
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AELNA (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income ‡
1985	$ 83,779,000	$ 43,594,000
1984	64,208,000	6,895,000
1983	53,815,000	(517,000)
1982	45,791,000	(4,722,000)
1981	47,931,000	(3,993,000)

	No. of Com. Shares †	Earn. per Share #‡
1985	3,072,000	$ 13.95
1984	3,079,000	1.85
1983	2,941,000	—
1982	2,904,000	—
1981	2,865,000	—

(Loss)
† Adjusted to reflect stock split.
+ Of continuing operations only.
‡ Including extraordinary gain of $2,500,000 ($0.81 per share) in 1984.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	3-for-2
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1985	$ 50,539,000	$ 16.45
1984	8,838,000	2.87
1983	1,941,000	0.66
1982	3,220,000	1.11
1981	7,865,677	2.75

Adjusted to reflect stock split.

Income Account *

Year ended	2/22/85	2/24/84
Net sales	$ 83,779,000	$ 64,208,000
Cost of sales	64,684,000	47,324,000
Expenses	14,295,000	11,161,000
Other income	(77,000)	(275,000)
Interest expense	410,000	900,000
Interest income	(2,721,000)	(1,534,000)
Share in inc. of unconsol. subsid.	(1,983,000)	(921,000)
Income bef. taxes	$ 9,171,000	$ 7,553,000
Income taxes	1,817,000	3,158,000
Inc. - cont. oper.	$ 7,354,000	$ 4,395,000
Inc. - discont. oper.	36,240,000	—
Net Income	$ 43,594,000	$ 4,395,000
Extraord. gain	—	2,500,000
Net Income & extraord. gain	$ 43,594,000	$ 6,895,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,705,000 in 1984 and $1,443,000 in 1983.

Assets

As of	2/22/85	2/24/84
Cash & short-term invest.	$ 33,194,000	$ 13,857,000
Receivable, net	22,561,000	19,249,000
*Inventories	4,320,000	3,749,000
Prepaid expenses	1,912,000	260,000
Current Assets	$ 61,987,000	$ 37,115,000
Investments	9,531,000	3,878,000
#Fixed assets	14,747,000	12,326,000
Other assets	18,000	158,000
Total Assets	$ 86,283,000	$ 53,477,000

Liabilities

Long-term debt, curr.	$ 832,000	$ 730,000
Accts. payable	3,083,000	3,068,000
Accruals	23,574,000	11,844,000
Curr. Liabilities	$ 27,489,000	$ 15,642,000
Long-term debt	6,910,000	3,573,000
Def. inc. taxes	1,345,000	693,000
Liab. of discont. oper.	—	9,731,000
+ Redeem. pref. stock	—	15,000,000
+ Common stock:		
Class A	2,897,000	1,910,000
Class B	312,000	212,000
Add. paid-in capital	3,416,000	5,049,000
Retained earnings	44,841,000	2,014,000
Treasury stock	(927,000)	(347,000)
Total Liabilities & Shareholders' Equity	$ 86,283,000	$ 52,784,000

* At lower of cost (average and FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	11.76
%Net Income to Sales	—	6.84
%Net Income to Equity	—	49.73
Sales to Inventories	86.26	17.13
Working Capital	$34,498,000	$21,473,000
Current Ratio	2.25	2.37
Shareholders' Equity	$50,539,000	$8,838,000

Aeroflex Laboratories Incorporated

35 South Service Road
Plainview, New York 11803
(516) 694-6700

Officers: Julius D. Winer, chairman of the board; Harvey R. Blau, vice chairman of the board; Milton Brenner, president; Arthur J. Hendler, exec. v.p.; Richard Casper, v.p.-engineering; Chester Gilbert, v.p.-Isolation Products; Jack Tusinski, v.p.-finance; Frank DiMaio, treasurer & secretary; Myron Schwartz, v.p. & chief scientist; Thomas V. Guerriere, v.p.-microelectronics.

Directors: Julius D. Winer, chairman; Harvey R. Blau, Robert Bradley, Milton Brenner, Ernest E. Courchene, Jr., Jerome Fox, Eugene Novikoff, Jack Tusinski, Irving Mirman.

Areas of Work: Engaged in the design, development and production of precision stabilization and tracking devices, radio frequency filters, helical shock and vibration isolaters, advanced semi-conductor sub-assemblies, magnetic products and electro-optical scanning devices.

Divisions and Subsidiaries:

Aeroflex International, Inc.
Caguas, Puerto Rico
Produces the Isolator product line.

Aeroflex Systems Corp.
700 N. Fairfax Street
Alexandria, Virginia 22314

Huxley Envelope Corp.
Brooklyn, New York

Filtron Co., Inc.
Old Bethpage, New York
Designs and manufactures radio frequency filters and shielded enclosures.

Vibration Mountings & Controls, Inc.
113 Main Street
Bloomingdale, New Jersey 07403

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): NYSE

Ticker Symbol: ARX

Number of Employees:

1984	573	1982	470
1983	485	1981	415

Plant Footage:

1984	285,000 sq. ft.	1982	200,700
1983	260,000		

Sales and Earnings

	Revenues	Net Income
1984	$ 36,234,015	$ 4,152,150
1983	33,801,900	3,879,769
1982	28,700,581	3,177,147
1981	21,045,736	2,080,803
1980	13,042,687	864,119

	No. of Com. Shares †	Earn. per Share †
1984	3,944,038	$ 1.05
1983	3,920,828	1.00
1982	2,808,909	0.86
1981	2,437,602	0.69
1980	2,344,673	0.37

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Elect. & magnetic prods.	$ 9,585,833	$ 12,114,164
Mechanical syst.	15,296,619	13,647,247
Envelopes	8,401,273	6,367,300
Other	2,950,290	1,673,189
Total	$ 36,234,015	$ 33,801,900

Aeroflex Laboratories Incorporated

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	10% & 25%	—
1982	—	—	—
1981	—	10%, 25% & 50%	—
1980	—	20%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 24,701,084	$ 6.26
1983	20,948,449	5.41
1982	14,562,848	4.40
1981	9,641,641	3.24
1980	3,769,818	1.64

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1984	1983
Revenues	$ 36,234,015	$ 33,801,900
Cost of revenues	23,957,157	22,131,256
Expenses	7,395,271	6,794,835
Interest expense	491,292	309,265
Other income	(634,855)	(436,225)
Income before taxes	$ 5,025,150	$ 5,002,769
Income taxes	873,000	1,123,000
Net Income	$ 4,152,150	$ 3,879,769

* Included in Costs and Expenses, Depreciation and Amortization: $1,349,528 in 1984 $970,647 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 7,876,151	$ 6,854,346
Receiv., net	11,786,409	9,779,703
*Inventories	6,891,388	4,957,886
Prepaid expenses & other assets	417,728	463,392
Current Assets	$ 26,971,676	$ 22,055,327
#Fixed assets	10,785,611	7,215,347
Deben. insur. costs	428,541	—
Intangibles	183,767	189,637
Other assets	795,336	634,415
Total Assets	$ 39,164,931	$ 30,094,726

Liabilities

Long-term debt, curr.	$ 253,063	$ 207,799
Accts. payable	1,651,206	1,558,847
Accruals	2,981,809	2,479,474
Inc. taxes pay.	2,830,915	2,063,050
Curr. Liabilities	$ 7,716,992	$ 6,309,170
Long-term debt	6,236,855	2,159,107
Deferred income taxes	510,000	678,000
+ Common stock	390,888	387,072
Add. paid-in capital	16,476,443	16,369,025
Retained earnings	8,344,502	4,192,352
Treasury stock	(441,004)	—
Loss on investments	(69,745)	—
Total Liabilities & Shareholders' Equity	$ 39,164,931	$ 30,094,726

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	13.87	14.80
%Net Income to Revenues	11.46	11.48
%Net Income to Equity	16.81	18.52
Working Capital	$19,254,684	$15,746,157
Current Ratio	3.50	3.50
Shareholders' Equity	$24,701,084	$20,948,449

Aeronca, Inc.

Suite 300
Intercontinental Plaza
7415 Pineville/Matthews Road
Charlotte, North Carolina 28226
(704) 541-1700

Officers: Joe L. Miller, chairman of the board, president & chief executive officer; John E. Hackett, v.p.-human resources; J. Lamont Crosby, v.p.-finance & chief financial officer; Steven M. Ehlinger, v.p. & general manager-Aerospace Division; Clifton W. Phillips, v.p. & president-Aeronca Electronics, Inc.; Billy C. Layton, controller; John R. Stewart, treasurer.

Directors: Stuart W. Cramer, Joe L. Miller*, Frederick R. Einsidler*, George E. Griffin, Barry J. Schillito*, William A. Knowlton*, James T. Stewart, C.D. Spangler, Jr., Thomas I. Storrs.

* Member of the Executive Committee.

Areas of Work: The aerospace segment produces assemblies, sub-assemblies, components and parts for commercial airplanes, military airplanes, space vehicles, aircraft engines and business jet aircraft.

Divisions and Subsidiaries:

Aerospace Division
1712 Germantown Road
Middletown, Ohio 45042
(513) 422-2751

Composit Air

Marathon Boat

Aeronca Electronics, Inc.
9625 Southern Pine Blvd.
Charlotte, North Carolina 28210
(704) 523-4808

Transfer Agent(s):

AmeriTrust Co.
900 Euclid Avenue
Cleveland, Ohio 44101

Stock Exchange(s): American, Pacific

Ticker Symbol: ARN

Number of Employees:

1985	750	1982	1,070
1984	530	1981	1,130
1983	520		

Plant Footage:

1984	579,000 sq. ft.	1981	735,000
1983	474,700	1980	709,000
1982	722,900		

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 44,292,000	$ 4,058,000
1983	43,852,000	3,795,000
1982	44,148,000	(1,019,000)
1981	56,804,000	(1,235,000)
1980	59,910,000	2,782,000

	No. of Com. Shares †	Earn. per Share ‡†
1984	3,103,668	$ 1.22
1983	3,072,384	1.21
1982	2,808,767	—
1981	2,805,530	—
1980	3,111,044	0.86

(Loss)
+ Of continuing operations only.
† Based on the weighted average number of common shares and common share equivalents outstanding during the year.
‡ Including extraordinary gains of $2,001,000 ($0.64 per share) in 1984, $1,790,000 ($0.58 per share) in 1983, and $1,505,000 ($0.48 per share) in 1980.

Revenues By Line of Business
(000's)

	1984	1983
Aerospace	$ 34,412	$ 39,949
Aeronca Elec.	8,434	3,903
Other segments	1,446	—
Total	$ 44,292	$ 43,852

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,962,000	$ 3.53
1983	7,283,000	2.37
1982	3,408,000	1.21
1981	4,675,000	1.67
1980	6,889,000	2.21

‡ Based on the weighted average number of common shares and common share equivalents outstanding during the year.

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 44,292,000	$ 43,852,000
Cost of sales	29,882,000	32,368,000
Expenses	8,655,000	6,790,000
Depreciation & amortization	1,094,000	707,000
Interest expense	1,598,000	1,406,000
Other income	(1,011,000)	(1,561,000)
Recovery on L-1011 prog.	—	(1,104,000)
Income bef. taxes	$ 4,074,000	$ 5,246,000
Income taxes	2,098,000	2,520,000
Minority interest	(81,000)	—
Inc.-cont. oper.	$ 2,057,000	$ 2,726,000
Loss-discont. oper.	—	(721,000)
Net Income	$ 2,057,000	$ 2,005,000
Extraord. gain	2,001,000	1,790,000
Net Income & extraord. gain	$ 4,058,000	$ 3,795,000

Assets

As of Dec. 31	1984	1983
Cash	$ 3,843,000	$ 5,760,000
Accts. receiv., net	6,046,000	6,482,000
*Inventories	11,602,000	7,065,000
Prepaid expenses	1,051,000	540,000
Current Assets	$ 22,542,000	$ 19,847,000
#Fixed assets	7,221,000	5,178,000
Note receiv.	1,466,000	1,364,000
Intangibles	3,520,000	—
Other assets	3,702,000	1,325,000
Total Assets	$ 38,451,000	$ 27,714,000

Liabilities

Notes payable	$ 584,000	$ —
Long-term debt, curr.	885,000	264,000
Accts. payable	3,582,000	2,217,000
Accruals	2,755,000	2,301,000
Accrued payroll	1,883,000	2,080,000
Curr. Liabilities	$ 9,689,000	$ 6,862,000
Long-term debt	12,882,000	11,829,000
Minority interest	33,000	—
+ Redeemable 6% preferred	761,000	1,136,000
+ + Redeem. serial pref. shares	399,000	604,000
+ + + Redeemable 8% preferred	3,725,000	—
+ + + + Common Stock	12,709,000	12,703,000
Add. paid-in capital	2,971,000	3,147,000
Deficit	(4,718,000)	(8,567,000)
Total Liabilities & Shareholders' Equity	$ 38,451,000	27,714,000

* Long-term contracts and programs stated at actual production cost. All others at lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value.
+ + No par value; $6 convertible.
+ + + $0.01 par value; cum. convert.
+ + + + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.20	—
%Net Income to Sales	4.64	—
%Net Income to Equity	18.76	27.53
Sales to Inventories	3.82	6.21
Working Capital	$12,853,000	$12,985,000
Current Ratio	2.33	2.89
Shareholders' Equity	$10,962,000	$ 7,283,000

Aerosonic Corporation

P.O. Box 4627
Clearwater, Florida 33518
(813) 446-5904

Officers: Herbert J. Frank, president; Philip Mark Perkins, v.p.-marketing; William Parker, v.p.-purchasing; David S. Goldman, executive v.p. & treasurer; Miria Frank, secretary.

Directors: Herbert J. Frank, David S. Goldman, Charles F. Burley, Anthony Atwell, Miriam Frank.

Areas of Work: Engaged in the research, manufacture and overhaul of aircraft instrumentation. Sells a complete line of instrumentation with altimeters representing a major portion of total sales.

Transfer Agent(s):

Aerosonic Corporation
Clearwater, Florida

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ASON (NASDAQ)

Number of Employees:

1985	N.A.	1982	N.A.
1984	230	1981	315
1983	295		

Sales and Earnings

	Net Sales	Net Income
1985	$ 10,940,976	$ 315,512
1984	7,451,365	62,661
1983	6,755,875	(222,768)
1982	10,472,099	395,112
1981	8,660,774	243,885

	No. of Com. Shares ‡	Earn. per Share ‡
1985	3,836,211	$ 0.08
1984	3,836,211	0.02
1983	3,986,234	—
1982	3,986,234	0.10
1981	3,985,684	0.06

(Loss)

‡ Based on weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 6,173,654	$ 1.61
1984	5,858,142	1.53
1983	5,795,486	1.45
1982	6,090,754	1.53
1981	5,695,675	1.43

† Adjusted to reflect stock split.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 10,940,976	$ 7,451,365
Cost of sales	8,678,008	5,703,154
Expenses	1,758,972	1,686,647
Interest exp.	89,484	47,903
Income before taxes	$ 414,512	$ 13,661
Income taxes (credit)	99,000	(49,000)
Net Income	$ 315,512	$ 62,661

* Included in Costs and Expenses, Depreciation and Amortization: $324,921 in 1984 and $308,779 in 1983.

Assets

As of Jan. 31	1985	1984
Cash	$ 23,824	$ 44,178
Accts. notes & other receiv.	1,962,744	1,245,523
Refundable income taxes	—	53,458
*Inventories	5,299,718	4,870,194
Prepaid expenses	26,652	12,611
Current Assets	$ 7,312,938	$ 6,225,964
#Fixed assets	1,813,163	1,699,845
Mortg. reciev.	7,778	276,714
Other assets	17,669	13,669
Total Assets	$ 9,151,548	$ 8,216,192

Liabilities

Notes payable	$ 825,000	$ 372,000
Long-term debt, curr.	227,208	166,546
Accounts payable	687,593	690,634
Accrued payroll	233,909	165,783
Accruals	139,700	150,503
Inc. taxes pay.	139,100	—
Def. inc. taxes	52,000	—
Curr. Liabilities	$ 2,304,510	$ 1,545,466
Long-term debt	425,070	455,270
Def. inc. taxes	248,314	357,314
+ Common stock	1,594,505	1,594,505
Add. paid-in capital	3,174,354	3,174,354
Retained earnings	1,477,456	1,161,944
Treasury stock	(72,661)	(72,661)
Total Liabilities & Shareholders' Equity	$ 9,151,548	$ 8,216,192

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.40 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.79	0.18
%Net Income to Sales	2.88	0.84
%Net Income to Equity	5.11	1.07
Sales to Inventories	2.06	1.53
Working Capital	$5,008,428	$4,680,498
Current Ratio	3.17	4.03
Shareholders' Equity	$6,173,654	$5,858,142

AES Technology Systems, Inc.

140 Lively Boulevard
Elk Grove Village, Illinois 60007
(312) 437-3084

Officers: Martin T. Abrams, chairman of the board, exec. v.p. & treasurer; Lee A. Goldboss, president; Robert E. Martin, controller & secretary.

Directors: Martin T. Abrams, chairman; Lee A. Goldboss, August C. Sievers, E. Thomas Layton, David F. Herche.

Areas of Work: An engineering firm which produces custom data recording systems. Specializes in designing machines with industry-wide applications to automatic handling, reproduction, and recording of large quantities of documents.

Subsidiaries:

Game Plan, Inc. (22.7% owned)
Delaware
Manufactures and distributes coin operated amusement games and devices.

Transfer Agent(s):

Continental Illinois National Bank and
Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AEST (NASDAQ)

Number of Employees:

1984	88	1983	85

Plant Footage:

1984	27,000 sq. ft.	1981	80,000
1983	27,000	1980	80,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income †
1984	$ 6,335,789	$ (1,147,182)
1983	5,668,109	83,338
1982	5,869,342	136,668
1981	6,689,560	(1,084,909)
1980	12,061,026	(5,702,784)

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	6,064,883	$ —
1983	5,769,763	0.01
1982	5,924,227	0.02
1981	5,419,695	—
1980	4,945,528	—

(Loss)

† Including extraordinary gain of $87,500 ($0.01 per share) in 1982.

‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ (3,085,795)	$ —
1983	(3,225,813)	—
1982	(3,309,151)	—
1981	(4,555,619)	—
1980	(4,660,022)	—

(Deficiency)

Income Account *

Year ended June 30	1984	1983
Equip. rentals	$ 6,303,018	$ 5,613,548
Interest	27,737	43,571
Other income	5,034	10,990
Revenues	$ 6,335,789	$ 5,668,109
Lease oper. costs	3,664,827	3,221,616
Expenses	1,957,399	1,646,807
Interest expense	710,745	679,348
Litigation settlements	1,150,000	25,000
Income (loss) before taxes	$ (1,147,182)	$ 95,338
Income taxes	—	12,000
Net Income (Loss)	$ (1,147,182)	$ 83,338

* Included in Costs and Expenses, Depreciation and Amortization: $221,467 in 1984 and $214,859 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 37,616	$ 179,026
Marketable securities	300,000	252,040

American Stores Company

P.O. Box 27447
709 East South Temple
Salt Lake City. Utah 84127
(801) 539-0112

Officers: L.S. Skaggs. chairman of the board: Thomas W. Field. Jr.. president: Richard G. Dunlop. vice chairman & treasurer: Thomas H. Sunday. exec. v.p.. general counsel & secretary: Scott Bergeson. exec. v.p. & asst. secretary: Robert L. Salmon. v.p.: Victor L. Lund. sr. v.p. & controller: Michael T. Miller. sr. v.p. & asst. secretary: Gerald T. Glancey. v.p. & asst. treasurer: Frederick P. McBrier. asst. secretary: Hugh M. Zumbro. v.p.: Dennis N. Beal. asst. controller: Lynn Huizenga. asst. v.p.

Directors: William R. Deeley. Thomas W. Field. Jr.*. Thomas W. King. Williford Gragg. Leon G. Harmon. L. Tom Perry. L.S. Skaggs*. Aline W. Skaggs. Richard G. Dunlop. Earl P. Staten. Thomas H. Sunday*. I. J. Wagner.

* Member of the Executive Committee.

Business Activities: Operates self-service supermarkets under the names of Acme and Super Saver in New York. Pennsylvania. New Jersey. Delaware. Maryland. Virginia. and West Virginia. Subsidiaries also manufacture and process food for sale in these supermarkets and Alpha Beta Stores the Company operates in California. and Arizona. Also operates Rea and Derick Drug Stores in Pennsylvania. New York. and Maryland. Operates Skagg's Drug Centers. 190 drug stores and 70 combination drug/grocery stores in 20 states in the Southwest. West. and Midwest.

Divisions and Subsidiaries:

Acme Markets Inc.
124 North 15th Street
Philadelphia. Pennsylvania 19101
(215) 568-3000

Alpha Beta Company
777 South Harbor Boulevard
La Habra. California 90631
(714) 738-2000

Rea and Derick. Inc.
Fifth and Orange Streets
Northumberland. Pennsylvania 17857
(717) 473-3511

Skaggs Companies. Inc.
P.O. Box 30658
Salt Lake City. Utah 84130
(801) 537-3000

American Stores Properties. Inc.
P.O. Box 27447
Salt Lake City. Utah 84127
(801) 539-0112

American Stores Buying Company
P.O. Box 30658
Salt Lake City. Utah 84130
(801) 537-3000

American Stores Managements Systems Company
P.O. Box 30658
Salt Lake City. Utah 84130
(801) 537-3000

Transfer Agent(s):

Morgan Guaranty Trust Company
Trust Department
30 West Broadway
New York. New York 10015

Stock Exchange(s): New York. Philadelphia. Pacific

Ticker Symbol: ASC

Number of Stores: (at fiscal year end)

	Supermarkets	Drug Centers	Drug Stores	Restaurants	Comb. stores
1983	629	190	138	0	70
1982	684	193	141	44	60
1981	692	198	146	49	51
1980	681	197	135	46	3
1979	760	—			

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 7.983.677	$ 117.902
1983	7.507.772	90.371
1982	7.096.590	64.552
1981	6.419.884	51.553
1980*	3.786.332	44.434

	No. of Com. Shares #	Earn. per Share #
1984	29.556.000	$ 3.61
1983	29.415.000	2.69
1982	29.541.000	1.81
1981	29.412.000	1.37
1980*	26.532.000	1.45

* 53 weeks.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.44	—	3-for-1
1983	0.33	—	—
1982	0.27	—	—
1981	0.27	—	—
1980	0.27	—	—

# Adjusted to reflect stock split.

Commen Stock Equity

	Total Equity	Equity Per Share +
1984	$ 451.694.000	$ 15.28
1983	357.455.000	12.15
1982	289.593.000	9.80
1981	243.868.000	8.29
1980	210.746.000	7.94

+ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	1/28/84	1/29/83
Net sales	$ 7.983.677	$ 7.507.772
Cost of sales	6.051.677	5.718.520
Expenses	1.697.484	1.603.689
Interest expense	35.615	36.649
Other income	(17.228)	(17.945)
Income before taxes	$ 216.129	$ 166.859
Income taxes	98.227	76.488
Net Income	$ 117.902	$ 90.371

* Included in Costs and Expenses. Depreciation and Amortization: $87.321.000 in 1983 and $83.070.000 in 1982.

Assets
(000's)

As of	1/28/84	1/29/83
Cash & temp. cash invest.	$ 134.697	$ 83.222
Receiv.. net	49.542	44.076
*Inventories	683.566	612.528
Prepaid expenses	34.628	27.567
Current Assets	$ 902.433	$ 767.393
#Fixed assets	563.274	509.961
Prop. under cap. lease	128.269	137.661
Other assets	32.719	29.352
Total Assets	$ 1.626.695	$ 1.444.367

Liabilities
(000's)

Long-term debt. curr.	$ 1.535	$ 1.041
Cap. lease oblig.. curr.	10.292	9.251
Accounts payable	341.344	305.871
Accruals	142.944	115.586
Accrued wages pay.	88.729	83.899
Income taxes	31.850	31.738
Curr. Liabilities	$ 616.694	$ 547.386
Long-term debt	210.436	188.325
Cap. lease oblig.	156.420	163.708
Other liabilities	52.427	45.179
Deferred inc. taxes	20.914	24.204
+Redeem. pref. stock	118.110	118.110
+Common stock	30.014	10.005
Add. paid-in capital	79.626	100.454
Retained earnings	351.260	257.690
Treasury stock	(9.206)	(10.694)
Total Liabilities & Shareholders' Equity	$ 1.626.695	$ 1.444.367

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales	2.71	2.22
%Net Income to Sales	1.48	1.21
%Net Income to Equity	26.10	25.28
Sales to Inventories	11.68	12.26
Working Capital	$285.739.000	$220.007.000
Current Ratio	1.46	1.40
Shareholders' Equity	$451.694.000	$357.455.000

Ames Department Stores, Inc.

2418 Main Street
Rocky Hill. Connecticut 06067
(203) 563-8234

Officers: Herbert Gilman. chairman of the board & chief exec. officer: Gerald L. Kanter. . president & chief operating officer: Kenneth H. Cooper. sr. v.p.-store operations: Ralph M. Shulansky. sr. v.p.-administration. finance & chief financial officer: Earl M. Spector. sr. v.p.-real estate. legal & secretary: Romas Butrimas. v.p.-finance: Fred S. Perlstein. v.p.-advertising & sales promotion: Lawrence H. Golberg. v.p.-gen. merchandise mgr.: Gerald Glassman. v.p.-admin. & planning. asst. treasurer and asst. secretary: Royal L. Clark. v.p.-store operations: Stuart J. Shapiro. v.p.-corp. development: Eugene G. Senecal. v.p.-mgt. information systems: John R. Barbato. v.p.-real estate: Robert C. Brusa. v.p.-construction: Joseph Matteis. asst. v.p.-computer operations: Henry Sobinski. v.p.-loss prevention: Stephen H. Silver. v.p.. merchandise mgr.-softlines: Robert A. Tremblay. v.p.-merchandise control: Mark von Mayrhauser. v.p. & treasurer: Alan S. Close. v.p.-merchandise mgr.-hardlines: John P. Kearney. v.p.-personnel: John J. Miller. v.p.-import: Kerrie R. Flanagan. asst. v.p. & asst. controller.

Directors: Herbert Gilman*. chairman: Michael D. Leavitt. James A. Harmon*. Melvin M. Rosenblatt*. Ralph M. Shulansky. John Geisse. Norman B. Asher. Kenneth H. Cooper. Gerald L. Kanter*. Earl M. Spector. Norman Ricken.

* Member of the Executive Committee.

Business Activities: Operates a chain of self-service discount department stores in Massachusetts. Vermont. New Hampshire. Maine. New York. Maryland. New Jersey. Delaware and Pennsylvania.

Divisions and Subsidiaries:

Mathews and Boucher. Inc.
Rochester. New York
Wholesaler of sporting goods.

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): New York

Ticker Symbol: ADD

Number of Stores: (at fiscal year end)

1985	180	1982	133
1984	168	1981	126
1983	144		

Sales and Earnings

	Net Sales	Net Income
1985	$ 783,360,000	$ 28,516,000
1984	617,256,000	19,886,000
1983	401,742,000	12,393,000
1982	352,662,000	9,928,000
1981*	307,447,000	8,656,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	13,583,000	$ 2.00
1984	12,976,000	1.53
1983	12,372,000	1.00
1982	10,504,000	0.95
1981*	11,068,000	0.77

* 53 weeks.

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.20	—	2-for-1
1984	0.15	—	3-for-2
1983	0.13	—	—
1982	0.13	—	3-for-2
1981	0.11	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 124,631,000	$ 9.50
1984	98,829,000	7.60
1983	79,382,000	6.15
1982	52,177,000	5.01
1981	43,656,000	4.19

+ Adjusted to reflect stock splits.

Income Account
(000's)

Year ended	1/26/85	1/28/84
Net sales	$ 783,360	$ 617,256
Other Income	13,895	11,477
Total income	$ 797,255	$ 628,733
Cost of sales	550,625	429,658
Expenses	175,836	153,224
Depreciation & amortization	11,995	7,135
Interest expense	8,758	5,000
Income before taxes	$ 50,041	$ 33,716
Income taxes	21,525	13,830
Net Income	$ 28,516	$ 19,886

Assets
(000's)

As of	1/26/85	1/28/84
Cash	$ 2,237	$ 3,532
Restricted Cash	4,578	—
Cert. of deposit & oblig.	41,700	13,019
Receiv., net	8,864	6,432
*Inventories	138,969	113,007
Prepaid expenses	5,224	3,110
Current Assets	$ 201,572	$ 139,100
#Fixed assets	106,514	68,277
Other assets & defer. charges	6,175	4,609
Deferred tax benefits	—	678
Leasehold	6,469	—
Other assets	1,661	—
Total Assets	$ 322,391	$ 212,664

Liabilities

Long-term debt, curr.	$ 7,906	$ 3,989
Accts. payable	35,433	29,910
Accruals	19,027	12,021
Income taxes	2,861	3,667
Dividends payable	968	520
Current Liabilities	$ 66,195	$ 50,107
Deferred income taxes	4,098	—
Long-term debt	54,811	15,365
Cap. lease oblig.	36,950	28,145
Deferred compensation	1,282	1,650
Exc. of acq. assets over value	7,433	9,415
Oblig. under mgmt. agreement	—	9,153
Redeem. preferred stock	26,991	—
+Common stock	6,975	3,461
Add. paid-in capital	22,956	24,610
Retained earnings	98,282	74,312
Treasury stock	(3,582)	(3,554)
Total Liabilities & Shareholders' Equity	$ 322,391	$ 212,664

* At lower of cost (LIFO) or market.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.39	5.46
%Net Income to Sales	3.64	3.22
%Net Income to Equity	22.88	20.12
Sales to Inventories	5.64	5.46
Working Capital	$135,377,000	$88,993,000
Current Ratio	3.05	2.78
Shareholders' Equity	$124,631,000	$98,829,000

Amfac, Inc.

700 Bishop Street
Honolulu, Hawaii 96813
(808) 945-8111

Mailing address:

P.O. Box 3230
Honolulu, Hawaii 96801

Officers: H.A. Walker, Jr., chairman of the board; Myron Du Bain, president and chief exec. officer; Ronald C. Barr, T.R. d'Arcambal, Ronald H. Dykehouse, John E. Gomena, Donald C. Onasch, exec. v.p.'s; Ronald R. Sloan, exec. v.p. & chief administrative officer; Richard M. Brooks, sr. v.p. & chief finance officer; Daniel A. Curry, sr. v.p. & general counsel; R.Z. Rostron, sr. v.p., controller & chief accounting officer; Harry Matte, sr. v.p.; Thomas L. Braje, v.p. & treasurer; Charleen K. Ikeda, v.p. & secretary; G. Eric Lonnquist, Clyde E. Sumida, v.p.'s, assoc. general counsels & asst. secretaries; Helen P. Goldsmith, D.W. Leibensberger, v.p.'s & asst. treasurers; Christine C. McColgan, v.p. & asst. controller; Mervin F. Gilliland, Keith V. Mabee, Frederick J. Murata, Lawrence P. Perry, Ralph F. Perry, Jr., Toby B. Pontius, Alan O. Schultz, John R. Stamps, v.p.'s; W.A. Kruse, asst. v.p. & asst. treasurer; Beatrice K. Tanaka, Barbara Wilson, asst. v.p.'s & asst. secretaries; R. Brian Tsujimura, asst. v.p., asst. general counsel & asst. secretary; Richard Baum, David V. Enersen, Karen H. Iwamoto; Robert H. Ozaki, Raymond K. Pope, asst. v.p.'s; D.A. Daugherty, Chester A. Richardson, asst. secretaries & counsels; Eileen M. Halliburton, Susan S. Jourard, Althea R. Sato, Bess Torigoe, asst. secretaries.

Directors: Kenneth F. Brown, Myron Du Bain, Richard L. Griffith, Lyle L. Guslander, Daggett Harvey, Jr., Richard B. Madden, Mary Anne Normandin, Marion K. Pinsdorf, William F. Quinn, Patricia Saiki, Chauncey E. Schmidt, H.A. Walker, Jr.

Business Activities: Retail operations include the Liberty House department stores and resort shops. Liberty House department stores in Hawaii, California, and Reno, Nevada, feature merchandise in the medium to higher price ranges. Liberty House resort shops emphasize Polynesian and resort apparel. Some stores have limited men's, subteens' and children's wear departments. The Cameo Village Fashion Outlets is a retail specialty chain with operations in Maryland, Pennsylvania and New Jersey. The company also operates resorts, hotels, restaurants, travel and tour agencies, property development companies, sugar companies, wholesale nurseries, food processing companies, and distributes pharmaceutical and health care products, electrical and mechanical supplies, building materials, machinery and equipment.

Divisions and Subsidiaries:

Retail Group

Liberty House
Honolulu, Hawaii
Department, resort and specialty stores in Hawaii and California.

Amfac Cameo Stores, Inc.
Philadelphia, Pennsylvania
Operates a chain of "off price" clothing stores under the name Cameo Village Fashion Outlets in Maryland, Pennsylvania and New Jersey.

Horticulture Group

Amfac Garden Products, Inc.
Amfac Nurseries Cole, Inc.
Henry Field Seed and Nursery Company
Gurney Seed & Nursery Company, Inc.
Amfac Garden Perry's, Inc.
Amfac Mail Order

Food Group

Amfac Foods, Inc.
Portland, Oregon

Amfac Seafoods, Inc.
Processor of frozen and canned Alaska crab and shrimp.

Fisher Cheese Company, Inc.
Producer of natural, process and nondairy cheeses.

Lamb-Weston, Inc.
Processor of frozen potato and fruit products in Idaho, Oregon, and Washington.
Monterey Mushrooms
Grower and processor of mushrooms.

Hotels and Resorts Group

Amfac Hotels
Hotel, restaurant and resort operations.

Fred Harvey
Food, lodging and retailing in Grand Canyon and Death Valley National Parks.

Island Holidays Tours
Travel and tour operations in Hawaii.

Distribution Group

Amfac Distribution Corporation
Burlingame, California

Amfac Drug Supply Co.
Pharmaceutical distribution branches.

Amfac Electric Supply Co.
Electrical supplies distribution branches.

Amfac Mechanical Supply Co.
Hardware and industrial supplies branches.

Amfac Marine Supply, Inc.
Marine supplies distribution in Hawaii and Guam.

Amfac Plumbing Supply Co.
Plumbing supplies.

Hawaii Sugar and Land Group

Amfac Agribusiness, Inc.
Honolulu, Hawaii

Amfac Properties
Honolulu, Hawaii

Amfac, Inc.

Amfac Property Corp.
Property investment.

Amfac Property Development Corp
Real estate development.

Amfac Sugar Company
Honolulu, Hawaii

Amfac Tropical Products
Keaou, Hawaii

Kekaha Sugar Company, Ltd.
Grower and processor of sugar cane.

The Lihue Plantation Company, Ltd.
Grower and processor of sugar cane.

Oahu Sugar Company, Ltd.
Grower and processor of sugar cane.

Pioneer Mill Company, Ltd.
Grower and processor of sugar cane.

Puna Sugar Company, Ltd.
Grower and processor of sugar cane.

Acquisition(s):

W.J. Westerfield Co., Inc.
Key Pipe & Supply Co.
Tyler Dawson Supply
T-D Oilfield Supply, Inc.
Holmes Serum Co., Inc.

Transfer Agent(s):

Bank of California N.A.
400 California Street
San Francisco, California 94104

Bishop Trust Co., Ltd.
140 South King Street
Honolulu, Hawaii 96813

Marine Midland Bank
250 Park Avenue
New York, New York 10017

Stock Exchange(s): New York, Pacific, London.

Ticker Symbol: AMA

Number of Stores: (at fiscal year end)

1983	84	1980	54
1982	82	1979	45
1981	61		

Sales and Earnings

	Revenues + (000's)	Net Income ‡ (000's)
1983	$ 2.253.102	$ (68.026)
1982	2.073.687	34.208
1981	2.012.924	44.208
1980	1.784.437	76.101
1979	1.597.352	56.370

	No. of Com. Shares	Earn. per Share #‡
1983	16.619.474	$ —
1982	14.954.082	2.27
1981	14.083.332	3.04
1980	13.673.611	5.37
1979	12.844.026	4.21

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gain of $4.279.000 ($0.29 per share) in 1983.
# Based on the average number of common shares and common share equivalents outstanding.

Revenue By Line of Business

	1983 (000's)	%	1982 (000's)	%
Food	$ 427.987	19%	$ 340.216	16%
Distribution	1.160.391	51	1.048.333	51
Hospitality	165.624	7	208.579	10
Retail	329.587	15	331.586	16
Sugar	132.486	6	105.881	5
Land	40.815	2	38.358	2
Eq. in joint ventures	(6.106)	—	(3.164)	—
Corporate	2.318	—	3.898	—
Total	$2.253.102	100%	$2.073.687	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.44	—	—
1982	1.44	—	—
1981	1.44	—	—
1980	1.32	—	—
1979	1.20	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1983	$ 427.790.000	$ 27.05
1982	470.839.000	33.28
1981	474.242.000	33.67
1980	446.462.000	32.65
1979	377.959.000	29.43

‡ After allowing for preferred stock at involuntary liquidation values.

Income Account
(000's)

Year ended Dec. 31	1983	1982
Revenues	$ 2.253.102	$ 2.073.687
Cost of sales	1.648.673	1.436.792
Expenses	579.858	474.437
Depreciation & amortization	46.674	45.008
Interest expenses	58.306	57.545
Income (loss)bef. taxes	$ (80.409)	$ 59.905
Income taxes (credit)	(41.100)	23.619
Income (loss) - cont. oper.	$ (39.309)	$ 36.286
Loss - discont. oper.	(32.996)	(2.078)
Net Income (Loss)	$ (72.305)	$ 34.208
Extraord. gain.	4.279	—
Net Income (Loss) & extraord. gain	$ (68.026)	$ 34.208

Assets
(000's)

As of Dec. 31	1983	1982
Cash	$ 15.953	$ 13.330
Receiv., net	337.339	375.621
*Inventories	407.370	404.217
Prepaid expenses	18.358	19.101
Current Assets	$ 779.020	$ 812.269
Investments	72.996	61.549
#Fixed assets	512.048	500.427
Long-term notes receiv.	56.018	30.325
Other assets	19.428	17.299
Total Assets	$ 1.439.510	$ 1.421.869

Liabilities
(000's)

Note payable	$ 117.441	$ 36.578
Long-term debt, curr.	12.773	44.694
Accts. payable & accruals	284.312	253.115
Income taxes	26.546	93.080
Curr. Liabilities	$ 441.072	$ 427.467
Long-term debt	424.892	384.097
Deferred credits	60.205	46.188
Deferred inc. taxes	69.663	75.457
+ Preferred stock:		
$2.50	402	425
Series B $1	9.097	10.243
+ + Common Stock	150.133	107.846
Retained earnings	308.431	394.531
Eq. in Amfac stock held by nonconsol. partnership	(24.385)	(24.385)
Total Liabilities & Shareholders' Equity	$ 1.439.510	$ 1.421.869

* At lower of cost or market. Food groups at LIFO, retail stores by the retail method, others at FIFO.
# Less accumulated depreciation and amortization.
+ No par value, cumulative convertible.
+ + No par value.

Statistical Summary

%Net Income to Equity	—	7.00
Working Capital	$337.948.000	$384.802.000
Current Ratio	1.77	1.90
Shareholders' Equity	$443.678.000	$488.660.000

Angelica Corporation

10176 Corporate Square Drive
Suite 100
St. Louis, Missouri 63132
(314) 991-4150

Officers: Leslie F. Loewe, chairman of the board & chief exec. officer; John D. Levy, vice chairman of the board; Earl F. Neely, president & chief operating officer; Allyn J. Aach, Stephen L. Abelov, Donald C. Wickard, v.p.'s; James E. Stefoff, exec. v.p., pres. of the Angelica Rental Service Group; Kenneth W. Jeremiah, v.p.-industrial relations; Lawrence J. Young, exec. v.p., chief operating officer-Angelica Uniform Group; Robert M. Baker, treasurer; Nancy L. Rider, secretary, house counsel; Linden Mann, controller, asst. secretary; Charles D. Malloy, controller.

Directors: Leslie F. Loewe, chairman; Willard L. Levy, Edwin S. Jones, John D. Levy, Lee M. Liberman, Leslie F. Loewe, Richard A. Meyer, Earl F. Neely, Elliot H. Stein, H. Edwin Trusheim, Robert C. West, William P. Stiritz.

Divisions and Subsidiaries:

Manufacturing and Marketing

Angelica Uniform Group Division
700 Rosedale Avenue
St. Louis, Missouri 63112
(314) 889-1111
Designs, manufactures, warehouses and markets a line of washable and tailored non-washable vocational attire.

Angelica-Whitewear Ltd.
5650 Iberville St.
Montreal, Quebec, H2G 3E4 Canada
(514) 271-4671
Designs, manufactures, warehouses and markets vocational apparel.

Service Uniform Co. Limited
533 College Street
Toronto, Ontario M6G 1A8
Canada
(416) 923-7391
Designs, manufactures and markets vocational apparel.

Retail Sales

Life Uniform & Shoe Shops
700 Rosedale Avenue
St. Louis, Missouri 63112
(314) 889-1111
Operates a nationwide chain of specialty stores selling a full line of uniforms, shoes and related accessories to individuals & retail.

Rental Services

Angelica Healthcare Services Group, Inc.
10176 Corporate Square Drive
Suite 150
St. Louis, Missouri 63131
(314) 991-2931

Angelica Healthcare Services Group, Inc.
Western Divisional Office
600 North Euclid Avenue
Anaheim, California 92801
(714) 535-2242

Provides delivery and cleaning on a rental basis of surgical specialty textiles, garments and hospital linens.

Angelica Healthcare Services Group, Inc.
Eastern Divisional Office
317 Linden Street
Scranton, Pennsylvania 18503
(717) 346-8761

Provides rental and laundry services of hospital linens and uniforms to hospitals; also provides linen usage cost control systems.

Transfer Agent(s):

Centerre Trust Company
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: AGL

Number of Stores: (at fiscal year end)

1984	143	1981	134
1983	137	1980	140
1982	143		

Sales and Earnings

	Net Sales +	Net Income
1985	$ 246,404,000	$ 16,328,000
1984	220,318,000	15,154,000
1983	208,204,150	13,818,722
1982	201,402,308	12,012,189
1981	180,902,109	8,960,673

	No.of Com. Shares †	Earn. Per Share ‡
1985	9,268,413	$ 1.76
1984	9,260,730	1.63
1983	9,245,981	1.49
1982	9,245,981	1.30
1981	9,245,981	0.97

+ Includes rental service revenues.
† Adjusted to reflect stock split.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1985	1984
Manufacturing & marketing	$ 112,309,000	$ 101,882,000
Rental serv.	119,366,000	100,837,000
Retail sales	22,022,000	23,759,000
Intersegment	(7,293,000)	(6,160,000)
Total	$ 246,404,000	$ 220,318,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.52	—	—
1984	0.48	—	—
1983	0.40	—	3-for-2
1982	0.34	—	—
1981*	0.27	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1985	$ 104,990,000	$ 11.33
1984	93,713,000	10.13
1983	82,909,351	8.97
1982	72,967,275	7.90
1981	64,109,115	6.94

‡ After allowing for preferred stock and Class A preferred stock at liquidation value of $100 per share.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 127,038,000	$ 119,481,000
Service revenues	119,366,000	100,837,000
Total revenues	$ 246,404,000	$ 220,318,000
Cost of sales	83,161,000	78,232,000
Cost of services	89,465,000	73,156,000
Expenses	44,029,000	41,314,000
Other income	(1,059,000)	(1,025,000)
Income before taxes	$ 30,808,000	$ 28,641,000
Income taxes	14,480,000	13,487,000
Net Income	$ 16,328,000	$ 15,154,000

* Included in Costs and Expenses, Depreciation: $5,386,000 in 1985 and $4,272,000 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 11,980,000	$ 17,505,000
Receivables	37,501,000	31,117,000
*Inventories	44,805,000	40,813,000
Prepaid expenses	1,679,000	1,119,000
Linens in service	16,594,000	16,866,000
Current Assets	$ 112,559,000	$ 107,420,000
#Fixed assets	40,659,000	39,640,000
Other assets	8,751,000	5,382,000
Total Assets	$ 161,969,000	$ 152,442,000

Liabilities

Long-term debt & cap. lease oblig., curr.	$ 3,203,000	$ 3,273,000
Accts. payable	8,771,000	8,591,000
Accured payroll	4,356,000	4,326,000
Accruals	2,238,000	2,953,000
Income taxes	1,764,000	1,373,000
Deferred inc. taxes	4,133,000	3,026,000
Curr. Liabilities	$ 24,465,000	$ 23,542,000
Long-term debt & cap. lease oblig.	24,963,000	27,770,000
Deferred compensation	1,579,000	2,099,000
Deferred inc. taxes	5,618,000	4,964,000
+ Preferred stock	286,000	286,000
+ + Class A Preferred stock	1,000	1,000
+ + + Common stock	9,268,000	9,261,000
Add. paid-in capital	165,000	57,000
Retained earnings	95,624,000	84,462,000
Total Liabilities & Shareholders' Equity	$ 161,969,000	$ 152,442,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value, 5% cumulative.
+ + $1 stated value, convertible.
+ + + $1 par value.

Statistical Summary

% Income bef. Taxes to Revenues	12.50	13.00
% Net Income to Revenues	6.63	6.88
% Net Income to Equity	15.50	16.11
Working Capital	$ 88,094,000	$83,878,000
Current Ratio	4.60	4.56
Shareholders' Equity	$105,344,000	$94,067,000

Arden Group, Inc.

2020 South Central Avenue
Compton, California 90220
(213) 638-2842

Officers: Curtis H. Palmer, chairman of the board; Bernard Briskin, president & chief executive officer; Milton H. Barker, v.p.; Anne Pearson, asst. secretary; E.T. Klinger, v.p.-finance, chief financial officer & treas., C.R. Barrett, Jr., asst. secretary & asst. treasurer.

Directors: Bernard Briskin*, Chester I. Lappen*, Philip L. Carret, Thomas L. Karsten*, Frederick A. Schnell*, Anson I. Dreisen, Curtis H. Palmer*, Stuart A. Krieger, Daniel Lembark, Ben Winters.

*Member of the Executive Committee.

Business Activities: Principally a food processing and distribution company which operates a chain of supermarkets in the western United States.

Divisions and Subsidiaries:

Mayfair Market Division

Operates markets in California, Arizona, and Nevada under the following names: Mayfair, El Rancho, Food Giant.

Gelson's Markets

A chain consisting of 7 supermarkets located in California.

Telautograph Corporation

Primarily engaged in the manufacture, lease and sale of communication equipment and supplies which are used for the instantaneous transmission of messages to remote locations. Its GPS Division manufactures chemicals and equipment for the maintenance of swimming pools.

Transfer Agent(s):

City National Bank
Beverly Hills, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ARDN (NASDAQ)

Number of Stores: (at fiscal year end)

1984	46	1981	91
1983	58	1980	104
1982	75		

Sales and Earnings

	Net Sales	Net Income +
1984	$ 435,005,000	$ 5,239,000
1983	464,282,000	1,767,000
1982	494,051,000	2,890,000
1981	517,029,000	4,244,000
1980*	509,628,000	4,319,000

	No. of Com. Shares	Earn. per Share + #
1984	2,342,470	$ 2.06
1983	2,560,232	0.52
1982	2,959,182	0.82
1981	3,214,427	1.10
1980*	3,681,023	1.11

* 53 weeks.
+ Including extraordinary gains of $331,378 ($0.14 per share) in 1984), $63,700 ($0.02 per share) in 1982, $1,044,000 ($0.29 per share) in 1981 and $410,000 ($0.11 per share) in 1980.
# Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.25	—	—
1983	2.25	—	—
1982	2.25	—	—
1981	2.25	—	—
1980	2.25	—	—

Common Stock Equity

	Total Equity +	Equity Per Share
1984	$ 29,923,401	$ 12.77
1983	27,234,624	10.64
1982	28,970,725	9.79
1981	28,153,460	8.76
1980	26,854,460	7.30

+ After allowing for preferred stock at liquidation value.

Arden Group, Inc.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 435.004.847	$ 464.281.511
Cost of sales	282.670.636	314.907.469
Expenses	144.482.793	140.451.799
Other expense (income)	(2.573.093)	1.195.119
Interest expense	4.621.896	5.140.270
Income bef. taxes	$ 5.802.615	$ 2.586.854
Income taxes	895.000	512.000
Net Income	$ 4.907.615	$ 2.074.854
Extraordinary items	331.378	(308.585)
Net Income & extraord. items	$ 5.238.993	$ 1.766.269

* Included in Costs and Expenses. Depreciation: $17.103.939 in 1984 and $14.570.641 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 4.865.774	$ 3.343.371
Accts. & notes receiv., net	16.179.816	13.846.283
*Inventories	29.106.545	30.635.746
Prepaid expenses	1.392.519	1.132.344
Current Assets	$ 51.544.654	$ 48.957.744
Investments	2.691.741	3.216.302
Notes & contracts receiv.	4.235.208	2.694.152
Prop. for sale	2.630.012	4.292.741
#Fixed assets	52.616.831	59.248.736
Other assets	4.107.513	4.200.708
Total Assets	$ 117.825.959	$ 122.610.383

Liabilities

Accts. payable & accruals	$ 38.132.079	$ 40.308.817
Long-term debt	3.336.917	4.253.800
Curr. Liabilities	$ 41.468.996	$ 44.562.617
Long-term debt	29.548.288	35.262.784
Deferred income	4.721.287	3.511.126
Deferred taxes	2.242.950	1.656.464
Other liabilities	2.739.497	2.201.228
+ Preferred stock	2.433.225	2.433.225
+ + Common stock	1.086.758	1.086.758
Add. paid-in capital	35.951.789	35.951.789
Retained earnings	14.095.992	9.163.807
Treasury stock	(15.462.823)	(13.219.415)
Total Liabilities & Shareholders' Equity	$ 117.825.959	$ 122.610.383

* At lower of cost (FIFO, average or retail method) or market.
# Less accumulated depreciation and amortization.
+ $15 par value: $2.25 cumulative.
+ + $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.33	0.56
%Net Income to Sales	1.13	0.45
%Net Income to Equity	12.88	5.86
Sales to Inventories	14.95	15.15
Working Capital	$10.075.658	$ 4.395.127
Current Ratio	1.24	1.10
Shareholders' Equity	$38.104.941	$35.416.164

Argcen Holdings Inc.

10 Toronto Street
Toronto, Canada M5C 2B7

Officers: Conrad M. Black, chairman of the board; G. Montegu Black, president and chief executive officer; Dixon S. Chant, John R. Finlay, Q.C., vice presidents; Wendell F. White, C.A., treasurer; Charles G. Cowan, Q.C., secretary.

Directors: Lewis H.M. Ayre, Ralph M. Barford, Conrad M. Black, G. Montegu Black, Dixon S. Chant, Glen W. Davis, John R. Finlay, Q.C., Hon. Clarence L. Gosse, Hon. W. John McKeag, Andre Monast, Q.C., Beryl A. Plumptre, F. David Radler, Ronald T. Riley, Trumbull Warren.

Business Activities: Argcen Holdings Inc. is a holding company with significant interests, through subsidiary and associated companies, in natural resources, communications, wholesaling and retailing. The natural resources group is engaged in the exploration for and production of oil and natural gas in Canada, the United States and Australia, and participates in major iron ore operations in Labrador. The communications group carries on the business of radio and television and related services. The wholesaling and retailing group is primarily involved in the manufacturing, distribution and retailing of food for home consumption.

Divisions and Subsidiaries:

Standard Broadcastng Corporation Limited

Norcen Energy Resources Limited
  Products gas and oil.

Dominion Stores Limited

  Dominion Supermarkets
  Willett's Mr. Grocer
  General Bakeries
  Eplett Dairies
  Hiway Market
  Amalco

Transfer Agent(s):

Central Trust Company
  Toronto
  Montreal
  Vancouver

Canada Permanent Trust Company
  Halifax
  Saint John

Stock Exchange(s): Toronto, Montreal, Vancouver

Ticker Symbol: AGN

Number of Stores: (at fiscal year end)

1984 66

Sales and Earnings

	Revenues	Net Income †
12/31/84*	$1,576,800,000	$ (6,200,000)
3/17/84	2,227,400,000	31,600,000
3/17/83	2,409,200 000	27,400,000
3/17/82	2,594,300,000	45,600,000
3/17/81	2,774,000,000	28,000,000

	No. of Com. Shares	Earn. per Share †
12/31/84*	15,676,000	$ —
3/17/84	15,677,000	2.02
3/17/83	15,632,000	1.75
3/17/82	15,629,000	4.74
3/17/81	8,795,000	3.26

* 41 weeks.
† Including extraordinary gains of $5,400,000 ($0.35 per share) in 1984, $1,200,000 ($0.08 per share) in 1983 and $21,800,000 ($2.27 per share) in 1982.

Revenues By Line of Business
(000's)

	12/31/84	3/17/84
Retailing & wholesaling group	$ 1,483,245	$ 2,135,223
Manufacturing group	93,509	72,523
Natural resources group	—	19,670
Total	$ 1,576,754	$ 2,227,416

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
12/31/84	$0.60	—	—
3/17/84	1.00	—	—
3/17/83	1.00	—	—
3/17/82	1.10	—	—
3/17/81	1.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
12/31/84	$ 437,600,000	$ 27.92
3/17/84	453,100,000	28.90
3/17/83	436,500,000	27.92
3/17/82	424,700,000	27.17
3/17/81	200,800,000	22.83

Income Account
(000's)

Year ended	12/31/84 (41 weeks)	3/17/84
Net sales	$ 1,572,854	$ 2,204,972
Royalties on iron ore	—	13,884
Other income	3,900	8,560
Total income	$ 1,576,754	$ 2,227,416
Cost of sales	1,557,620	2,139,955
Depreciation & amortization	27,492	33,663
Interest expense	14,667	27,180
Other interest	10,072	10,178
Gain on sale of land	(3,477)	(8,381)
Write-down of prop.	1,900	2,000
Prov. for store clos.	18,300	—
Income (loss) before taxes	$ (49,820)	$ 22,821
Income taxes (credit)	(26,724)	6,338
Eq. in inc. of assoc. cos.	(21,212)	(15,435)
Minority interests	4,275	5,736
Net Income (Loss)	$ (6,159)	$ 26,182
Extraord. gain	—	5,422
Net Income (Loss) & extraord. gain	$ (6,159)	$ 31,604

Assets
(000's)

As of	12/31/84	3/17/84
Cash	$ 125	$ 5,987
Short-term invest.	33,223	37,047
Accts. receiv., net	58,151	51,704
Income taxes recov.	12,498	—
Merchandise	163,409	163,336
Prepaid expenses	7,304	4,483
Current Assets	$ 274,710	$ 262,557
Investments	410,187	396,749
#Fixed assets	330,745	324,395
Def. capital gains tax	67,405	67,405
Intangibles	5,710	5,978
Unamort. deben. discount	707	750
Total Assets	$ 1,089,464	$ 1,057,834

Liabilities
(000's)

Bank indebtedness	$ 30,989	$ 4,175
Long-term debt & cap. lease oblig., curr.	4,921	3,041
Promissory notes & accrued int.	52,181	81,922
Accts. payable & accruals	173,551	153,008
Income taxes	—	5,070
Curr. Liabilities	$ 261,642	$ 247,216
Long-term debt	133,142	81,656
Oblig. under cap. leases	52,483	50,585
Minority interest	48,104	47,253
Deferred gain	143,508	147,675
Deferred inc. taxes	13,021	30,317
+ Common stock	218,091	218,095
Retained earnings	219,473	235,037
Total Liabilities & Shareholders' Equity	$ 1,089,464	$ 1,057,834

# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.03
%Net Income to Sales	—	1.19
%Net Income to Equity	—	5.78
Working Capital	$ 13,068,000	$ 15,341,000
Current Ratio	1.05	1.06
Shareholders' Equity	$437,564,000	$453,132,000

Arnold Constable Corporation

240 West 40th Street
New York, New York 10018
(212) 685-2300

Officers: Merwin Bayer, president & chief executive officer; Maurice Lehrman, treasurer; Lorraine Tozzo, secretary.

Directors: Merwin Bayer, Aaron Kozak, Steven L. Osterweis, Bruce M. Schragger, Irving L. Strauss, Sidney R. Winters.

Business Activities: Operates a chain of specialty stores in regional shopping centers, under the name of NoName Stores, Inc. and Garment District.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1984	46	1981	50
1983	46	1980	50
1982	48		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 15,009,096	$ 236,709
1983	14,436,108	(108,786)
1982	14,326,523	20,051
1981	13,758,242	10,187
1980	13,377,797	(63,873)

	No. of Com. Shares +	Earn. per Share + ‡
1984	931,827	$ 0.25
1983	932,940	—
1982	932,940	0.02
1981	920,015	0.01
1980	747,392	—

(Loss)
‡ Including extraordinary gain of $88,749 ($0.09 per share) in 1984.
+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 1,985,095	$ 2.13
1983	1,752,410	1.88
1982	1,861,196	1.99
1981	1,816,145	1.97
1980	1,805,958	2.42

+ Based on the weighted average number of shares outstanding.

Income Account *

Year ended	1/28/84	1/29/83
Net sales	$ 15,009,096	$ 14,436,108
Cost of sales	10,551,009	10,429,841
Expenses	4,117,022	3,970,289
Interest expense	46,150	125,235
Loss from dispos. of rights	44,906	16,529
Income (loss) before taxes	$ 250,009	$ (105,786)
Income taxes	102,049	3,000
Net Income (Loss)	$ 147,960	$ (108,786)
Extraord. gain	88,749	—
Net Income (Loss) and extraord. gain	$ 236,709	$ (108,786)

* Included in Costs and Expenses, Depreciation and Amortization: $268,266 in 1984 and $307,446 in 1983.

Assets

As of	1/28/84	1/29/83
Cash & cash equivalents	$ 1,439,394	$ 462,613
Accts. receiv., net	135,701	82,430
*Inventories	1,404,120	1,481,264
Prepaid expenses	119,112	117,590
Current Assets	$ 3,098,327	$ 2,143,897
#Fixed assets	1,037,912	1,277,448
Other assets	1,000	4,000
Leasehold costs	18,578	20,722
Total Assets	$ 4,155,817	$ 3,446,067

Liabilities

Notes payable	$ 44,666	$ 32,402
Accts. payable	1,518,964	1,153,505
Accruals	296,130	189,732
Curr. Liabilities	$ 1,859,760	$ 1,375,639
Long-term debt	285,962	293,018
+Redeem. pref. stock	25,000	25,000
+ +Common stock	468,464	468,464
Add. paid-in capital	5,270,683	5,270,683
Deficit	(3,730,088)	(3,966,797)
Treasury stock	(23,964)	(19,940)
Total Liabilities & Shareholders' Equity	$ 4,155,817	$ 3,446,067

* At lower of cost (retail method) or market.
# Less accumulated depreciation.
+ No par value, $11 cumulative convertible.
+ + $0.50 par value.

Statistical Summary

%Net Income to Sales	0.99	—
%Net Income to Equity	7.45	—
Sales to Inventories	10.69	9.74
Working Capital	$1,238,567	$ 768,258
Current Ratio	1.67	1.55
Shareholders' Equity	$1,985,095	$1,752,410

Associated Dry Goods Corporation

417 Fifth Avenue
New York, New York 10016
(212) 679-8700

Officers: William P. Arnold, chairman of the board & chief executive officer; Redmond J. Largay, president; Joseph H. Johnson, vice chairman & chief financial officer; Joseph E. Brooks, sr. exec. v.p. chairman & chief exec. officer, Lord & Taylor; David P. Williams, Joseph Vales, exec. v.p.'s; Carl Bennett, vice president, chairman & chief exec. officer-Caldor, Inc.; John P. Calabro, v.p. & corporate controller; Walter C. Daniels, v.p.-planning & construction; George C. Easter, v.p. & treasurer; Howard Falberg, v.p.-personnel; David G. Kratz, v.p.-management information systems; Joan S. Levan, v.p. & president-Market Division; Arthur F. O'Day, v.p.-real estate; Joseph J. Schumm, Jr., v.p., secretary & corporate counsel; Joel Wise, v.p.-operations; Arthur J. Jones, divisional v.p.-operations; Paul J. Kittner, div. v.p.-corporate internal audit; Joseph M. Mahon, div. v.p. & merchandise research director; John G. Mann, Jr., div. v.p.-employee relations; Richard A. Maxwell, div. v.p.-international oper.; Robert D. Ranck, div. v.p.-credit; Bernard Dorfman, William A. Johnson, Jr., Anthony Cicale, asst. secretaries; John R. Lange, asst. treasurer; John M. Manos, asst. secretary & asst. corporate counsel.

Directors: William P. Arnold, chairman; Arthur G. Altschul, Carl Bennett, Joseph E. Brooks, R. Manning Brown, Jr., Thomas S. Carroll, Rodney C. Gott, Joseph H. Johnson, Paul Kolton, Redmond J. Largay, Patricia A. McFate, Alfred J. Moccia, Martha T. Muse, Richard R. Pivirotto, Donald C. Platten, Peter J. Solomon.

Business Activities: Operates a chain of department stores and discount stores.

Divisions:

Lord & Taylor
New York, Manhasset, Westchester, Millburn, Dearborn, Ann Arbor, Fairfax, Sterling Heights, Fair Oaks, Novi, West Hartford, Bala-Cynwyd, Garden City, Washington, Chevy-Chase, Jenkintown, Falls Church, North Bethesda, Aurora, Memorial City Park, Greenspoint Mall, Braintree, Skokie, Prestonwood Town Center, Huntington, Palm Beach, Plano, Miami, Aventura Mall, Paramus, Boston, Stamford, Atlanta, Burlington, Oakbrook, Houston, Dallas, Schaumburg, Vernon Hills, Chicago, and Northbrook.

Hahne & Company
Newark, Montclair, Westfield, Eatontown, Rockaway, Woodbridge, Quakerbridge, and Livingston.

Powers Dry Goods Co.
Minneapolis, St. Louis Park, St. Paul, Blaine, Eden Prairie, Burnsville, and Maplewood.

The Stewart Dry Goods Company
Louisville, Lexington, Evansville, Oxmor, Okalona, Fayette, The Mall, and Dixie Manor.

J.W. Robinson Co.
Los Angeles, Beverly Hills, Pasadena, Anaheim, Thousand Oaks, Glendale, Palm Springs, Santa Barbara, Sherman Oaks, Mission Viejo, Santa Monica, Torrance, Cerritos, Newport, San Diego, Woodland Hills, San Fernando Valley, Santa Anita, Westminster, and City of Industry.

The Diamond
Charleston, Parkersburg, West Virginia.

Sibley, Lindsay & Curr Company
Rochester, Irondequoit, Newark, Fayetteville, Penfield, Buffalo, Amherst, Tonawanda, Eastern Hills, West Seneca, Henrietta, Victor, Greece, and Syracuse.

The H & S Pogue Company
Cincinnati, Kenwood, Florence Mall, Tri-County and Northgate.

Goldwaters
Phoenix, Scottsdale, Prescott, Tucson, Metrocenter, Mesa, Paradise Valley, Las Vegas and Albuquerque.

Stix, Baer & Fuller
St. Louis, Richmond Heights, Jennings, Kansas City, Chesterfield, Crestwood Plaza, Independence, Jamestown, Fairview Heights, South County Center, St. Ann and Oak Park.

The Denver Dry Goods Company
Denver, Cherry Creek, Lakeside, Greeley, Billings, Boulder, Northglenn, Colorado Springs, Aurora Mall, New Englewood, Pueblo, Southglenn and Foothills.

Joseph Horne Co.
Pittsburgh, Greengate Mall, South Hills Village, Natrona Heights, Northway Mall, Brentwood-Whitehall, Monroeville Mall, Beaver Valley Mall, West Erie, Millcreek Mall, Southern Park Mall, Randall Park.

Robinson's of Florida
St. Petersburg, Altamonte, West Tampa, Sarasota, Countryside Mall, Orlando and University Square.

L. S. Ayres and Company
Indianapolis, Glendale, Lafayette, Merrillville, Fort Wayne, Glenbrook, Southtown, Lafayette Square, Muncie, Mishawaka, Washington Square, South Bend, and Bloomington.

Caldor, Inc.
Norwalk, Connecticut
Operates 79 discount department stores in six Northeastern states.

Acquisition(s):

Loehmann's Inc.
New York, New York

Associated Dry Goods Corporation

Transfer Agent(s):

Chemical Bank
New York, New York

First National Bank of Boston
Boston, Massachusetts

Mercantile Trust Company
St. Louis, Missouri

Stock Exchange(s): New York

Ticker Symbol: DG

Number of Stores: (at fiscal year end)

1983	247	1980	163
1982	245	1979	155
1981	167		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1983	$ 3,188,858	$ 78,414
1982	2,751,221	69,774
1981	1,952,239	51,764
1980	1,783,212	43,498
1979*	1,605,607	34,159

	No. of Com. Shares	Earn. per Share
1983	13,547,000	$ 4.31
1982	13,558,000	4.17
1981	13,526,000	3.83
1980	13,517,000	3.22
1979*	13,516,000	2.53

* 53 weeks.
‡ Includes leased departments.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.95	—	—
1982	1.75	—	—
1981	1.575	—	—
1980	1.50	—	—
1979	1.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 610,031,000	$ 45.12
1982	577,245,000	42.57
1981	541,243,000	40.00
1980	510,597,000	37.76
1979	487,272,000	36.05

Income Account
(000's)

Year ended	1/29/83	1/30/82
Net sales	$ 3,188,858	$ 2,751,221
Other expense (income)	(6,747)	1,090
Total Income	$ 3,195,605	$ 2,750,131
Cost of sales	2,408,048	2,062,214
Exenses	564,734	499,182
Interest expense	75,698	61,994
Income before taxes	$ 147,125	$ 126,741
Income taxes	68,711	56,967
Net Income	$ 78,414	$ 69,774

Assets
(000's)

As of	1/29/83	1/30/82
Cash	$ 15,652	$ 10,945
Accts. receiv., net	283,891	188,791
*Inventories	461,118	444,161
Prepaid expenses & supplies	21,265	18,496
Current Assets	$ 781,926	$ 662,393
Investments	63,246	58,109
#Fixed assets	799,283	784,516
Other assets	56,229	52,460
Total Assets	$ 1,700,684	$ 1,557,478

Liabilities
(000's)

Long-term debt, curr.	$ 20,265	$ 16,290
Accts. payable	205,606	188,888
Accruals	76,871	73,816
Taxes	13,094	13,090
Dividends payable	10,100	9,444
Income taxes	119,994	102,033
Curr. Liabilities	$ 445,930	$ 403,561
Mortg. notes & debentures	436,848	382,263
Contingent compensation	20,199	14,559
Deferred inc. taxes	47,011	39,143
+ Preferred stock	140,665	140,707
+ + Common stock	6,793	6,792
Add. paid-in capital	56,923	60,430
Retained earnings	549,335	510,710
Treasury stock	(3,020)	(687)
Total Liabilities & Shareholders' Equity	$ 1,700,684	$ 1,557,478

* At cost (LIFO) as determined by the retail inventory method.
# Less accumulated depreciation and amortization.
+ $0.50 par value.
+ + $0.50 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.61	4.61
% Net Income to Sales	2.46	2.54
% Net Income to Equity	10.45	9.72
Working Capital	$335,996,000	$258,832,000
Current Ratio	1.75	1.64
Shareholders' Equity	$750,696,000	$717,952,000

Autoscope, Inc.

844 Rockville Pike
Rockville, Maryland 20852
(301) 251-1818

Officers: Charles M. Levinson, president; Lois Levinson, v.p.; Robert Singer, secretary.

Directors: Charles M. Levinson, Robert Singer, Lois Levinson.

Business Activities: Sells, at wholesale and retail, auto seat covers, tops, sunroofs, mufflers, shock absorbers, brakes and other auto accessories and supplies.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1983	2	1980	3
1982	2	1979	3
1981	3		

Sales and Earnings

	Net Sales	Net Income ‡
1983	$ 1,120,405	$ (1,043)
1982	1,153,334	(36,588)
1981	1,234,979	(21,442)
1980	1,245,736	795
1979*	1,220,673	48,517

	No. of Com. Shares	Earn. per Share ‡
1983	87,537	$ --
1982	87,537	—
1981	87,537	—
1980	87,537	0.01
1979*	87,537	0.55

* Unaudited
(Loss)
‡ Including extraordinary gain of $1,300 ($0.01 per share) in 1979.

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 157,171	$ 1.80
1982	155,676	1.78
1981	192,233	2.20
1980	213,686	2.44
1979*	213,130	2.43

* Unaudited

Income Account *

Year ended June 30	1983	1982
Net sales	$ 1,120,405	$ 1,153,334
Cost of sales	598,437	620,893
Expenses	524,536	569,793
Other income	(1,525)	(1,212)
Loss before taxes	$ (1,043)	$ (36,140)
Income taxes	—	448
Net Loss	$ (1,043)	$ (36,588)

* Included in Costs and Expenses, Depreciation and Amortization: $4,306 in 1983 and $4,545 in 1982.

Assets

As of June 30	1983	1982
Cash	$ 26,894	$ 53,985
Accts. receiv., net	59,996	47,456
*Inventories	125,523	128,939
Prepaid expenses	—	1,046
Refundable income taxes	480	66
Current Assets	$ 212,893	$ 231,492
Investments	18,009	15,415
#Fixed assets	12,844	16,757
Other assets	2,404	2,404
Total Assets	$ 246,150	$ 266,068

Liabilities ‡

Notes payable	$ 14,000	$ 21,500
Accts. payable	63,465	67,014
Accrued expenses	4,103	12,037
Accrued inc. tax	—	448
Other liabilities	7,411	9,393
Curr. Liabilities	$ 88,979	$ 110,392
+ Common stock	29,411	29,411
Add. paid-in capital	174,708	174,708
Accumulated deficit	(18,793)	(17,750)
Treasury stock	(25,780)	(25,780)
Net unrealized loss	(2,375)	(4,913)
Total Liabilities & Shareholders' Equity	$ 246,150	$ 266,068

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.30 par value.

Statistical Summary

Sales to Inventories	8.93	8.94
Working Capital	$123,914	$121,100
Current Ratio	2.39	2.10
Shareholders' Equity	$157,171	$155,676

Avon Products, Inc.

9 West 57th Street
New York, New York 10019
(212) 546-6015

Officers: Hicks B. Waldron, president, chairman of the board & chief executive officer; William R. Chaney, James E. Preston, Raymond F. Bentele, exec. v.p.'s; Edmund W. Pugh, Jr., sr. v.p.; Robert H. Hansen, v.p.; Donald S. Moss, Jules Zimmerman, William H. Willet, Robert W. Pratt, Jr., group v.p.'s; Helmuth R. Fandl, v.p. & treasurer; W. Thomas Knight, group v.p., general counsel & secretary; Helmuth R. Fandl, Howard T. Johnson, Margro R. Long, Robert R McMillan, Norman H. Wethwein, v.p.'s.

Directors: Hicks B. Waldron, R. Manning Brown, Jr., William R. Chaney, Hays Clark, Charles S. Locke, David W. Mitchell, Emil Mosbacher, Jr., Merlin E. Nelson, James R. Peterson, James E. Preston, Ernesta G. Procope, Cecily Cannan Selby, Raymond F. Bentele, Donald S. Fredrickson, Joseph A. Rice, John L. Ufheil.

Business Activities: Avon is the world's largest manufacturer and distributor of fragrances and cosmetics. These products, as well as costume jewelry and apparel are sold through representatives in the United States and in 31 foreign countries. Tiffany & Co. sells jewelry, sterling silverware, watches, goldware, clocks, china and stationery through six retail outlets located in New York City, Atlanta, Beverly Hills, Chicago, Dallas, Houston and San Francisco.

Transfer Agent(s):

Morgan Guaranty Trust Co.
30 West Broadway
New York, New York

Stock Exchange(s): New York, Boston, Midwest, Philadelphia, Pacific.

Ticker Symbol: AVP

Number of Stores: (at fiscal year end)

1983	8	1981	6
1982	7	1980	6

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1983	$ 3,000,100	$ 164,400
1982	3,000,800	196,600
1981	2,613,800	219,900
1980	2,569,100	242,100
1979	2,377,500	244,000

	No. of Com. Shares ‡	Earn. per Share ‡
1983	74,530,000	$ 2.21
1982	74,350,000	2.75
1981	60,150,000	3.66
1980	60,150,000	4.02
1979	60,140,000	4.06

‡ Based on the average number of shares outstanding during each year.

Revenues By Line of Business
(000's)

	1983	1982
Cosmetics, fragrances, toiletries	$ 1,884,300	$ 1,998,000
Fashion jewelry	330,200	338,300
All other	388,300	336,100
Health-care products	299,400	228,300
Specialty chemicals	102,800	102,000
Eliminations	(4,900)	(1,900)
Total	$ 3,000,100	$ 3,000,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$2.00	—	—
1982	2.50	—	—
1981	3.00	—	—
1980	2.95	—	—
1979	2.75	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$1,204,200,000	$ 16.16
1982	1,219,400,000	16.40
1981	933,000,000	15.51
1980	928,300,000	15.43
1979	866,300,000	16.07

‡ Based on the average number of shares outstanding during each year.

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 3,000,100	$ 3,000,800
Cost of sales	1,290,100	1,278,700
Expenses	1,368,700	1,306,800
Interest income	(40,100)	(41,400)
Other expenses	71,200	64,700
Income before taxes	$ 310,200	$ 392,000
Income taxes	145,800	195,400
Net Income	$ 164,400	$ 196,600

* Included in Costs and Expenses, Depreciation: $55,600 in 1983 and $46,600 in 1982.

Assets
(000's)

As of Dec. 31	1983	1982
Cash	$ 29,200	$ 27,100
Short-term invest.	154,500	134,100
Accts. receiv., net	287,100	282,500
*Inventories	432,700	437,900
Prepaid expenses	126,300	123,500
Current Assets	$ 1,029,800	$ 1,005,100
#Fixed assets	760,400	729,600
Defer. charges	495,600	498,500
Total Assets	$ 2,285,800	$ 2,233,200

Liabilities
(000's)

Notes payable	$ 67,700	$ 69,000
Accts. payable	195,500	146,300
Accruals	111,200	95,600
Accrued compens.	40,700	39,000
Income taxes	104,100	122,100
Other taxes	74,900	84,400
Curr. Liabilities	$ 594,100	$ 556,400
Long-term debt	318,400	297,300
Other liab.	49,900	54,100
Deferred income taxes	119,200	106,000
+Common stock	37,300	37,200
Add. paid-in capital	391,400	386,800
Retained earnings	907,500	892,100
Adj. foreign curr.trans.	(132,000)	(96,700)
Total Liabilities & Shareholders' Equity	$ 2,285,800	$ 2,233,200

* At lower of cost or market; domestic inventories at LIFO, all others at FIFO.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.34	13.06
%Net Income to Sales	5.48	6.55
%Net Income to Equity	13.65	16.12
Sales to Inventories	6.93	6.85
Working Capital	$ 435,700,000	$ 448,700,000
Current Ratio	1.73	1.81
Shareholders' Equity	$1,204,200,000	$1,219,400,000

Batus Inc.

2000 Citizens Plaza
Louisville, Kentucky 40202
(502) 581-8000

BATUS Inc. is a wholly owned subsidiary of B-A-T Industries of London, England.

Officers: Charles I. McCarty, chairman of the board & chief executive officer; Henry F. Frigon, president & chief operating officer; Leonard W. Arentsen, sr. v.p.-finance; John A. McDonough, sr. v.p.-financial services; James R. Clifford, v.p. & treasurer; Tony G. Hall, v.p.-human resources; David A. Schechter, v.p. & general counsel; B.D. Cummins, v.p. & controller; Leonard E. Lyles, v.p.-management & organizational development; John D. Tyson, v.p.-public affairs; David H. Roe, v.p.-planning & analysis; F. Anthony Burke, secretary.

Directors: Charles I. McCarty, chairman; Henry F. Frigon, Eric A. A. Bruell, I.W. Hughes, Thomas W. Busch, Gerald L. Dennis, Allan R. Johnson, A.C. Long, Arnold H. Aronson, E. John Worlidge.

Business Activities: Organized in three industrial segments-Tobacco, Retail and Paper. Brown & Williamson Tobacco Corporation manufactures cigarettes, including Barclay, Kool, Lucky Strike, Raleigh and Viceroy. Appleton Papers Inc. produces carbonless and thermal paper and colored enamels.

Retail Divisions:

Saks Fifth Avenue
New York, New York
Operates 40 fashion specialty stores in 18 states.

Gimbels—Midwest
Milwaukee, Wisconsin
Operates 9 department stores in Wisconsin.

Gimbels—East
New York, New York
Operates 20 department stores in Connecticut, New Jersey, New York and Pennsylvania.

Gimbels—Pittsburgh
Pittsburgh, Pennsylvania
Operates 7 department stores in Pennsylvania.

Kohl's Department Stores
Brookfield, Wisconsin
Operates 34 value department stores in Wisconsin, Indiana, and Illinois.

Thimbles
New York, New York
Operates 16 specialty fashion stores in 6 states.

The John Breuner Company
San Ramon, California
Operates 17 quality home furnishing stores and 40 furniture rental stores in Arizona, California and Nevada.

Frederick & Nelson
Seattle, Washington
Operates 15 department stores in Washington and Oregon.

The Crescent
Spokane, Washington
Operates 3 stores in Washington.

Ivey's—Carolinas
Charlotte, North Carolina
Operates 13 dept. stores in North and South Carolina.

Ivey's—Florida
Orlando, Florida
Operates 12 dept. stores in Florida.

Marshall Field's
Chicago, Illinois
Operates 21 department stores in Illinois, Wisconsin and Texas.

Number of Stores: (at fiscal year end):

	Department Stores	Specialty Stores	Furnishing Stores
1984	134	56	57
1983	133	46	53

1982	126	43	42
1981	55	37	—
1980	52	40	—

Sales and Earnings

	Net Sales	Net Income
1984	$6,211,078,000	$ 313,523,000
1983	6,063,520,000	258,560,000
1982	5,506,698,000	213,955,000
1981	4,592,259,000	179,698,000
1980	4,161,123,000	196,975,000

Revenues By Line of Business
(000's)

	1984	1983
Tobacco	$ 2,264,105	$ 2,133,342
Retailing	3,374,261	3,145,050
Paper	572,712	465,325
Other	—	319,803
Total	$ 6,211,078	$ 6,063,520

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 6,211,078	$ 6,063,520
Cost of sales	3,572,431	3,456,949
Fed. excise taxes	542,361	540,329
Expenses	1,372,538	1,429,609
Interest expenses	158,043	164,563
Income before taxes	$ 565,705	$ 472,070
Income taxes	252,182	213,510
Net Income	$ 313,523	$ 258,560

* Included in Costs and Expenses. Depreciation: $136,426,000 in 1984 and $128,459,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 40,820	$ 18,918
Short-term invest.	545	57,400
Accts. receiv., net	1,128,074	1,030,912
*Inventories	950,851	922,324
Other assets	21,250	25,881
Current Assets	$ 2,141,540	$ 2,055,435
#Fixed assets	1,524,155	1,375,827
Other assets	301,203	123,061
Intangibles	316,799	348,802
Total Assets	$ 4,283,697	$ 3,903,125

Liabilities
(000's)

Short-term borr.	$ 104,797	$ 83,418
Long-term debt & cap. lease oblig., curr.	31,366	49,203
Accts. payable	381,554	388,647
Accruals	444,903	412,388
Due to affil. co.	22,797	60,910
Income & excise taxes	212,602	219,835
Curr. Liabilities	$ 1,198,019	$ 1,214,401
Long-term debt	1,218,718	1,138,381
Other liab.	473,949	340,855
+Common stock	1	1
Add. paid-in capital	69,376	69,376
Retained earnings	1,323,634	1,140,111
Total Liabilities & Shareholders' Equity	$ 4,283,697	$ 3,903,125

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.11	7.79
%Net Income to Sales	5.05	4.26
%Net Income to Equity	22.51	21.38
Sales to Inventories	6.53	6.57
Working Capital	$ 943,521,000	$ 841,034,000
Current Ratio	1.79	1.69
Shareholders' Equity	$1,393,011,000	$1,209,488,000

A. J. Bayless Markets, Inc.

111 East Buckeye Road
Phoenix, Arizona 85004

Mailing address:
P.O.Box 21152
Phoenix, Arizona 85036

Officers: Mrs. A.J. Bayless, chairman of the board; Roger S. Hagel, president and general manager; Joseph L. Bayless, v.p.-store operations; Robert C. Dillard, vice president, secretary & treasurer; C. Donald Dorsey, controller & asst. treasurer, Michael E. Esmay, v.p.-merchandising and promotion.

Directors: Mrs. A.J. Bayless, chairman; J. Allen Ginn, Jr., Howard G. Fisher, Elias M. Romley, Roger S. Hagel, Joseph L. Bayless.

Business Activities: Operates 59 conventional supermarkets in 21 Arizona cities and one department store.

Transfer Agent(s):

First Interstate Bank of Arizona
First Interstate Bank Plaza
Phoenix, Arizona 85004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BAYM (NASDAQ)

Number of Stores: (at fiscal year end)

1983	60	1980	62
1982	59	1979	60
1981	59		

Sales and Earnings

	Net Sales	Net Income
1983	$ 378,088,000	$ 3,447,000
1982	383,801,000	1,481,000
1981	384,038,000	2,492,000
1980*	368,521,000	2,550,000
1979	319,837,000	2,193,000

	No. of Com. Shares	Earn. per Share ‡
1983	1,120,136	$ 3.08
1982	1,120,136	1.32
1981	1,120,136	2.20
1980*	1,140,136	2.16
1979	1,180,636	1.86

* 53 weeks.
‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.60	—	—
1982	0.60	—	—
1981	0.60	—	—
1980	0.80	—	—
1979	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 31,643,000	$ 28.25
1982	28,868,000	25.77
1981	28,059,000	25.05
1980	26,428,000	23.18
1979	25,313,000	21.44

Income Account
(000's)

Year ended	12/31/83	1/1/83
Net sales	$ 378,088	$ 383,801
Cost of sales	280,812	291,336
Expenses	86,353	85,933
Depreciation & amortization	2,933	2,786
Interest expense	1,553	1,425
Income before taxes	$ 6,647	$ 2,321
Income taxes	3,200	840
Net Income	$ 3,447	$ 1,481

Assets
(000's)

As of	12/31/83	1/1/83
Cash	$ 7,177	$ 5,536
Accts. receiv., net	1,677	1,582
Refundable income taxes	438	—
*Inventories	27,597	26,503
Prepaid expenses	1,203	1,328
Current Assets	$ 37,654	$ 35,387
#Fixed assets	21,113	21,020
Leased prop. under cap. leases	8,202	6,852
Deposits & other assets	982	1,318
Total Assets	$ 67,951	$ 64,577

Liabilities
(000's)

Long-term debt, curr.	$ 136	$ 144
Cap. lease oblig., curr.	576	552
Notes payable	—	2,000
Accts. payable	14,482	13,306
Accruals	8,691	7,862
Income taxes	218	—
Curr. Liabilities	$ 24,103	$ 23,864
Long-term debt	960	2,090
Deferred inc. taxes	1,005	813
Oblig. under cap. lease	10,240	8,942
+Common stock	1,190	1,190
Add. paid-in capital	3,333	3,333
Retained earnings	27,894	25,119
Treasury stock	(774)	(774)
Total Liabilities & Shareholders' Equity	$ 67,951	$ 64,577

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.76	0.60
%Net Income to Sales	0.91	0.39
%Net Income to Equity	10.89	5.13
Sales to Inventories	13.70	10.51
Working Capital	$13,551,000	$11,523,000
Current Ratio	1.56	1.48
Shareholders' Equity	$31,643,000	$28,868,000

Bayly Corp.

Bldg. 22
Denver Tech Center
Englewood, Colorado 80111
(303) 773-3850

Officers: David T. Marantette, chairman of the board & chief executive officer; Canton O'Donnell, president & chief operating officer; Al W. Blair, v.p. & gen. mgr., branded/private label division; W. Lamar Bullard, v.p.-operations; C. Hugh Freeze, v.p.-finance; Joseph L. Holgerson, v.p. & gen. mgr., Ocean Pacific division; Kenneth R. Delk, v.p.; Calvin Tipton, secretary & treasurer.

Directors: David T. Martanette, III, chairman; Canton O'Donnell, Charles J. Bock, John J. Brinkel, Leet E. Denton, Ronald T. Hill, Charles F. Talbot, Jr., Jack A. Tompkins.

Business Activities: Manufacturer of leisure and utility apparel, largely men's and boy's clothing. Jeans and leisure wear comprise the major portion of its operations. Also operates retail stores specializing in sports equipment and casual wear.

Divisions and Subsidiaries:

Aspen Leaf, Inc.
Operates retail stores in Denver and Colorado Springs, Colorado and Minneapolis, Minnesota.

Appelcraft Division
Men's and boy's apparel.

Transfer Agent(s):

Bank of America, N.T. & S.A.
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BAYL (NASDAQ)

Number of Stores: (at fiscal year end)

1984	10	1981	10
1983	8	1980	11
1982	9		

Sales and Earnings

	Revenues	Net Income
1984	$ 131,992,000	$ 1,194,000
1983	102,361,000	3,204,000
1982	94,724,276	(2,531,116)
1981	106,018,000	2,881,811
1980	108,927,000	1,887,497

	No. of Com. Shares‡	Earn. per Share ‡
1984	2,435,000	$ 0.49
1983	2,409,000	1.33
1982	2,716,000	—
1981	2,740,000	1.05
1980	2,756,000	0.68

(Loss)
† Of continuing operations only.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Apparel	$ 119,829	$ 93,261
Retail	11,756	8,371
Other income	407	729
Total	$ 131,992	$ 102,361

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.12	—	—
1983	.07	—	4-for-1
1982	.05	—	—
1981	.05	—	—
1980	.05	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 25,292,000	$ 10.39
1983	23,986,000	9.96
1982	23,463,312	8.64
1981	26,130,229	9.62
1980	23,384,219	8.53

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 131,585,000	$ 101,632,000
Other income	407,000	729,000
Total Income	$ 131,992,000	$ 102,361,000
Cost of sales	94,652,000	72,423,000
Expenses	29,288,000	20,882,000
Shipping exp.	3,433,000	2,261,000
Interest expense	2,868,000	1,071,000
Income before taxes	$ 1,751,000	$ 5,724,000
Income taxes	557,000	2,520,000
Net Income	$ 1,194,000	$ 3,204,000

* Included in Costs and Expenses, Depreciation: $2,915,000 in 1984 and $1,952,000 in 1983.

Assets

As of Oct. 31	1984	1983
Cash & cert. of deposit	$ 4,246,000	$ 4,865,000
Accts. receiv., net	17,071,000	11,011,000
Refundable taxes	1,957,000	—
*Inventories	36,234,000	22,913,000
Def. inc. tax benefits	369,000	—
Prepaid expenses	467,000	122,000
Current Assets	$ 60,344,000	$ 38,911,000
#Fixed assets	8,796,000	5,547,000
Other asets	9,252,000	2,993,000
Total Assets	$ 78,392,000	$ 47,451,000

Liabilities

Note payable	$ 12,445,000	$ —
Long-term debt. curr.	3,975,000	1,239,000
Accts. payable	11,375,000	9,400,000
Accruals	5,409,000	5,327,000
Income taxes	—	278,000
Curr. Liabilities	$ 33,204,000	$ 16,244,000
Long-term debt	18,819,000	6,387,000
Deferred inc. taxes	1,077,000	834,000
+Common stock	2,816,000	2,816,000
Add. paid-in capital	542,000	412,000
Retained earnings	24,548,000	23,638,000
Treasury stock	(2,614,000)	(2,880,000)
Total Liabilities & Shareholders' Equity	$ 78,392,000	$ 47,451,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.33	5.63
%Net Income to Sales	0.91	3.15
%Net Income to Equity	4.72	13.36
Sales to Inventories	3.63	4.44
Working Capital	$27,140,000	$22,667,000
Current Ratio	1.82	2.40
Shareholders' Equity	$25,292,000	$23,986,000

The Becker Milk Company Limited

671 Warden Avenue
Scarborough, Ontario, Canada M1L 3Z7
(416) 698-2591

Officers: Frank A. Bazos, chairman of the board; Robert W. Lowe, president; Geoffrey W. J. Pottow, exec. v.p.; Robert Bazos, Harold Keene, George Panos, vice presidents; Arvi Magi, vice president, treasurer & secretary.

Directors: Frank A. Bazos, chairman; Robert W. Lowe, Robert Bazos, E.S. Miles, George Panos, Geoffrey W. J. Pottow, Arvi Magi, R.S. Paddon.

Business Activities: Operates a chain of dairy and convenience stores throughout Ontario. Also engaged in the business of processing milk and dairy products.

Divisions and Subsidiaries:

Starlight Variety Stores

Transfer Agent(s):

The Royal Trust Company
Toronto, Ontario, Canada
Montreal, Quebec, Canada

Stock Exchange(s): Toronto

Ticker Symbol: BEKQ

Number of Stores: (at fiscal year end)

1984	653	1981	631
1983	653	1980	619
1982	649		

Sales and Earnings

	Net Sales	Net Income
1984	$ 257,226,204	$ 5,676,774
1983	233,113,251	5,033,470
1982	224,571,881	4,878,542
1981	200,981,040	5,023,506
1980	173,953,370	4,164,828

	No. of Com. Shares #	Earn. per Share #
1984	1,728,360	$ 3.26
1983	1,728,360	2.89
1982	1,728,360	2.81
1981	1,720,360	2.90
1980	1,720,360	2.40

# Based on common shares and Class B preference shares combined.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.55	—	—
1983	0.55	—	—
1982	0.55	—	—
1981	0.50	—	—
1980	0.40	—	—

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1984	$ 37,589,570	$ 21.75
1983	32,983,862	19.08
1982	28,978,249	16.77
1981	25,033,955	14.55
1980	20,904,679	12.15

† After allowing for Class A preference stock at par value.
‡ Based on common shares and Class B preference shares combined.

Income Account

Year ended April 30	1984	1983
Net sales	$ 257,226,204	$ 233,113,251
Cost of sales	183,877,484	162,274,918

Expenses	57,530,782	56,063,796
Depreciation & amortization	4,405,779	4,182,473
Interest expense	558,053	815,294
Income before taxes	$ 10,854,106	$ 9,776,770
Income taxes	5,177,332	4,743,300
Net Income	$ 5,676,774	$ 5,033,470

Assets

As of April 30	1984	1983
Cash	$ 61,300	$ 61,121
Accts. receiv., net	2,319,224	3,056,949
*Inventories	20,428,500	17,924,900
Prepaid expenses	1,083,098	511,065
Mortg. receiv.	12,262	39,580
Current Assets	$ 23,904,384	$ 21,593,615
Investments	171,476	268,688
#Fixed assets	38,927,417	34,898,199
Other assets	1,177,207	1,410,138
Total Assets	$ 64,180,484	$ 58,170,640

Liabilities

Bank indebtedness	$ 2,063,955	$ 1,195,560
Accts. payable & accruals	17,109,420	13,137,543
Dividends payable	518,508	518,508
Loan payable	—	1,971,289
Sundry mortg. & debenture payable	760,705	819,373
Inc. taxes pay.	—	261,495
Curr. Liabilities	$ 20,452,588	$ 17,903,768
Bank loan	3,875,000	4,500,000
Long-term debt:		
Deferred franchise income	196,257	271,749
Mortg. payable	823,878	803,605
Other debt	452,300	853,000
Less curr. portion	(760,705)	(819,373)
Deferred inc. taxes	984,096	1,106,529
+Class A preferred	567,500	567,500
+ +Class B preferred	916,955	916,955
+ + +Common stock	288	288
Retained earnings	36,672,327	32,066,619
Total Liabilities & Shareholders' Equity	$ 64,180,484	$ 58,170,640

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $100 par value: 6% cumulative.
+ + No par value; non-voting, non-cumulative.
+ + + No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.22	4.19
%Net Income to Sales	2.21	2.16
%Net Income to Equity	14.88	15.00
Sales to Inventories	12.59	13.00
Working Capital	$ 3,451,796	$ 3,689,847
Current Ratio	1.77	1.21
Shareholders' Equity	$38,157,070	$33,551,362

Begley Company

P.O. Box 1000
Eastern Kentucky University Bypas
Richmond, Kentucky 40475
(606) 623-2550

Officers: Robert J. Begley, chairman of the board and president; Donald R. Snyder, exec. v.p. and treasurer; Wendell W. Lake, sr. v.p.-Industrial Div.; Clarence E. Fain, v.p.-fixturing & merchandising; Conley C. Congleton, v.p., general counsel & secretary; Herschel Workman, controller and asst. treasurer; Billy R. Masters, v.p.-management information services; Orlando F. Segneri, sr. v.p.-retail operations; James M. Davenport, v.p.-marketing.

Directors: James K. Lewis*, Robert J. Begley*, Robert L. Maddox, Jr., Russell Steele Gregory, Donald R. Snyder*, Robert R. Martin*, Wendell W. Lake, Tracy Farmer, Orlando F. Segneri.

* Member of the Executive Committee.

Business Activities: Operate drug stores and pharmacies in Kentucky. Also operates dry cleaners in Florida, Illinois, Alabama, Indiana, Iowa, Kentucky, Missouri and Tennessee under the names "Big B" and "Key One Hour Cleaners." Also operates four convalescent aids stores.

Subsidiaries:

B & B Equipment & Supply Company
Richmond, Kentucky
Distributor of dry cleaning supplies.

Convenience Manufacturing Corporation
Richmond, Kentucky
Manufactures drive-in windows.

Transfer Agent(s):

The Central Trust Company
Cincinnati, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BGLY (NASDAQ)

Number of Stores:

	Drug Stores	Apothecaries	Dry Cleaners	Convalescent-Aids and Home Health Care Centers
1985	42	—	125	5
1984	45	—	108	4
1983	43	3	91	4
1982	43	4	76	3
1981	45	6	75	2

Sales and Earnings

	Oper. Revenues	Net Income
1985	$ 66,104,802	$ 694,843
1984	61,460,456	733,460
1983	56,786,439	806,592
1982	49,981,558	229,319
1981	47,289,347	798,241

	No. of Com. Shares	Earn. per Share #
1985	552,290	$ 1.26
1984	553,263	1.33
1983	547,945	1.47
1982	553,157	0.40
1981	586,404	1.31

# Based on the average number of shares outstanding.

Revenues By Line of Business

	1985	1984	1983	1982
Drug stores	72%	75%	77%	75%
Dry cleaning	28	25	23	25
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.68	—	—
1984	0.68	—	—
1983	0.68	—	—
1982	0.68	—	—
1981	0.68	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 10,375,758	$ 18.79
1984	10,073,433	18.21
1983	9,608,378	17.54
1982	9,237,101	16.70
1981	9,747,537	16.62

Income Account *

Year ended March 31	1985	1984
Net sales	$ 50,277,949	$ 46,044,855
Other income	15,826,853	15,415,601
Total Income	$ 66,104,802	$ 61,460,456
Cost of sales	31,194,687	30,427,069
Expenses	32,669,853	28,903,163
Oper. profit	$ 2,240,262	$ 2,130,224
Other income	278,559	134,051
Total	$ 2,518,821	$ 2,264,275
Interest expense	1,352,978	1,051,815
Income before taxes	$ 1,165,843	$ 1,212,460
Income taxes	471,000	479,000
Net Income	$ 694,843	$ 733,460

* Included in Costs and Expenses, Depreciation and Amortization: $1,483,412 in 1985 and $1,344,258 in 1984.

Assets

As of March 31	1985	1984
Cash	$ 890,200	$ 1,333,482
Accts. receiv., net	2,106,776	1,551,359
Other receiv.	638,862	442,159
*Inventories	13,110,688	12,747,315
Current Assets	$ 16,746,526	$ 16,074,315
#Fixed assets	9,577,721	8,917,493
Other assets	2,026,305	1,962,747
Total Assets	$ 28,350,552	$ 26,954,555

Liabilities

Notes payable	$ 1,750,000	$ 1,000,000
Long-term debt, curr.	1,021,014	987,440
Cap. lease oblig., curr.	669,645	631,648
Accts. payable & accruals	6,570,679	5,554,584
Income & other taxes	121,066	142,076
Current Liabilities	$ 10,132,404	$ 8,315,748
Long-term debt	7,646,390	8,587,374
Def. inc. taxes	196,000	(22,000)
+Common stock	926,859	925,771
Add. paid-in capital	1,987,108	1,979,864
Retained earnings	7,524,126	7,204,648
Treasury stock	(62,335)	(36,850)
Total Liabilities & Shareholders' Equity	$ 28,350,552	$ 26,954,555

* Merchandise on retail method (cost is determined by LIFO method), supplies at latest invoice cost, which approximates FIFO.
# Less accumulated depreciation and amortization.
+ $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	2.32	2.63
%Net Income to Sales	1.38	1.59
%Net Income to Equity	6.70	7.28
Sales to Inventories	3.83	4.04
Working Capital	$ 6,614,122	$ 7,758,567
Current Ratio	1.65	1.93
Shareholders' Equity	$10,375,758	$10,073,433

W. Bell & Co., Inc.

12401 Twinbrook Parkway
Rockville, Maryland 20852
(301) 881-2000

Officers: Walter Bell, chairman of the board & president; Bernard M. Blum, exec. v.p.; Fredric J. Bell, senior vice president; Desmond J. Karmolinski, v.p.-merchandising; Warren E. Lawhon, v.p.-advertising & catalog production; Dorothy Bell, secretary; Martin Pfeifer, v.p.-finance, treasurer; Larry McPherson, v.p.-corp. systems; Thomas E. Tatum, v.p.-branch operations.

Directors: Walter Bell, chairman; Bernard M. Blum, Fredric J. Bell, Dorothy Bell, Martin Pfeifer.

Business Activities: Operates a chain of showrooms/warehouses selling gift merchandise; also conducts catalog sales. Showrooms are located in the Washington, D.C.; Baltimore, Maryland; Houston, Texas; and Chicago, Illinois metropolitan areas.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BLLW (NASDAQ)

Number of Stores: (at fiscal year end)

1984	18	1981	15
1983	18	1980	13
1982	18		

Sales and Earnings

	Net Sales	Net Income
1984	$ 138,060,000	$ 2,657,000
1983	125,365,171	2,691,360
1982	134,592,847	1,423,166
1981	107,431,071	2,425,986
1980	95,476,427	2,388,450

	No. of Com. Shares‡	Earn. per Share ‡
1984	2,581,559	$ 1.03
1983	2,169,304	1.24
1982	2,171,082	0.66
1981	2,173,004	1.12
1980	2,176,548	1.10

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	10%	—
1983	—	5%	—
1982	—	—	3-for-2
1981	—	20%	—
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 27,266,000	$ 10.56
1983	18,841,719	8.69
1982	16,161,976	7.44
1981	14,749,925	6.79
1980	12,338,909	5.78

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account

Year ended	6/30/84	6/25/83
Net sales	$ 138,060,000	$ 125,365,171
Cost of sales	107,369,000	97,827,002
Expenses	22,717,000	19,528,565
Depreciation & amortization	1,941,000	1,797,218
Interest expense	1,041,000	1,777,076
Income before taxes	$ 4,992,000	$ 4,435,310
Income taxes	2,335,000	1,743,950
Net Income	$ 2,657,000	$ 2,691,360

Assets

As of	6/30/84	6/25/83
Cash	$ 1,014,000	$ 1,287,351
Accts. receiv., net	249,000	586,206
Income taxes	35,000	—
*Inventories	33,471,000	27,844,999
Other assets	2,099,000	1,660,126
Current Assets	$ 36,868,000	$ 31,378,682
#Fixed assets	15,877,000	17,292,594
Other assets	106,000	206,810
Total Assets	$ 52,851,000	$ 48,878,086

Liabilities

Notes payable	$ 1,000,000	$ —
Long-term debt: curr.	780,000	479,195
Accts. payable	11,418,000	10,507,556
Accruals	3,616,000	3,669,476
Income taxes	573,000	1,040,708
Curr. Liabilities	$ 17,387,000	$ 15,696,935
Long-term debt	6,368,000	12,852,823
Deferred inc. taxes	1,830,000	1,486,609
+ Common stock	281,000	203,075
Add. paid-in capital	16,470,000	6,956,493
Retained earnings	10,661,000	11,771,591
Treasury stock	(96,000)	(89,440)
Total Liabilities & Shareholders' Equity	$ 52,851,000	$ 48,878,086

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.62	3.54
%Net Income to Sales	1.92	2.15
%Net Income to Equity	9.74	14.28
Sales to Inventories	4.12	4.50
Working Capital	$19,481,000	$15,681,747
Current Ratio	2.12	2.00
Shareholders' Equity	$27,266,000	$18,841,719

Beneficial Corporation

Beneficial Building
Wilmington, Delaware 19899
(302) 798-0800

Officers: Finn M.W. Caspersen, chairman of the board & chief executive officer; Gerald L. Holm, vice chairman; Robert A. Tucker, member of the office of the president & chief financial officer; David J. Farris, member of the office of the president; William A. Gross, sr. v.p.-audit; James H. Gilliam, Jr., sr. v.p.-legal; Andrew C. Halvorsen, second vice-chairman; William H. H. Ely, Jr., sr. v.p. & treasurer; Kenneth J. Kircher, v.p. & secretary; Robert R. Meyer, sr. v.p. & controller; William V. Krause, v.p.; Bruce A. Olster, sr. v.p.-tax; Deborah A. Smith, v.p.-planning & corporate strategy; Ann Stephenson, v.p.-public affairs.

Directors: Cecil M. Benadom, Charles W. Bower, George R. Evans*, Robert A. Tucker*, Charles H. Watts II*, Robert C. Cannada, Elbert N. Carvel, Finn M.W. Caspersen*, Arthur T. Ward, Jr., K. Martin Worthy, Gerald L. Holm*, Susan J. Ross, E. Norman Veasey, David J. Farris*, J. Robert Hillier, John T. Lundegard, Steven Muller, Sigfried Weis, James H. Gilliam, Andrew C. Halvorsen*.

* Member of the Executive Committee.

Business Activities: The Company is a Delaware holding company, subsidiaries of which are engaged principally in the consumer loan, sales finance, leasing credit card and insurance businesses and in the merchandising business. The Company's finance and insurance subsidiaries constitute the Finance Division. Western Auto Supply Company and subsidiaries constitutes the Merchandising Division. Western sells a variety of merchandise, principally durable goods, at retail in its own stores and at wholesale to independently-owned and operated associate stores.

Subsidiaries:

Beneficial Management Corporation
Peapack, New Jersey

Beneficial Insurance Group
Peapack, New Jersey

Beneficial National Bank
Wilmington, Delaware

Beneficial National Bank USA
Wilmington, Delaware

Western Auto Supply Company
Kansas City, Missouri

Beneficial Mortgage Corp.
Wilmington, Delaware

Beneficial Commercial Corp.
Peapack, New Jersey

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: BNL

Number of Stores:* (at fiscal year end)

1984	197	1981	263
1983	216	1980	273
1982	227		

* Company-owned Western Auto Stores.

Sales and Earnings

	Revenue †	Net Income
1984	$ 697,700,000	$ 106,300,000
1983	650,300,000	105,600,000
1982	599,700,000	(31,400,000)
1981	645,700,000	(7,700,000)
1980	669,500,000	93,800,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	22,200,000	$ 4.02
1983	22,400,000	3.96
1982	22,400,000	—
1981	22,300,000	—
1980	22,300,000	3.44

(Loss)
† Merchandising division only; of continuing operations only.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Finance Division	$ 1,804,600	$ 1,581,900
Merchandising Division	697,700	650,300
Total	$ 2,502,300	$ 2,232,200

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Finance Division:		
Revenues	$ 1,804,600	$ 1,581,900
Expenses	1,669,900	1,417,800
Income before taxes	$ 134,700	$ 164,100
Income taxes	21,100	49,800
Income from Finance Div.	$ 113,600	$ 114,300
Income from Merch. Division	16,600	15,500
Corp. exp. after taxes	(23,900)	(24,200)
Net Income	$ 106,300	$ 105,600

* Included in Costs and Expenses, Depreciation and Amortization: $11,000,000 in 1984 and $32,400,000 in 1983.

Beneficial Corporation

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 30,700	$ 22,100
Finance receiv.	5,037,500	4,555,200
Receiv. acq. from merch. div.	61,900	54,100
Investments	1,635,800	1,309,900
Eq. in assets of merch. div.	186,100	184,500
#Fixed assets	116,500	98,300
Other assets	652,400	492,200
Total Assets	$ 7,720,900	$ 6,716,300

Liabilities
(000's)

Short-term debt	$ 835,500	$ 509,600
Deposits payable & emp. thrift dep.	253,000	230,500
Accts. payable & accruals	431,400	318,600
Insurance policy & claim reserves	1,243,700	862,900
Long-term debt	3,964,500	3,841,700
Redeem. pref. stock	125,000	125,000
Preferred stock	115,800	115,800
+ Common stock	22,300	22,300
Add. paid-in capital	63,500	63,300
Net unreal. loss on eq. sec.	(16,000)	(12,700)
For. curr. trans. adjust.	(18,400)	(15,900)
Retained earnings	700,600	655,200
Total Liabilities & Shareholders' Equity	$ 7,720,900	$ 6,716,300

# Less accumulated depreciation and amortization.
+ $1 par value.

Berkshire Hathaway Inc.

1440 Kiewit Plaza
Omaha, Nebraska 68131
(402) 342-4110

Officers: Warren E. Buffett, chairman of the board & chief executive officer; Charles T. Munger, vice chairman; Kenneth V. Chace, president & chief operating officer-textile operations; Michael A. Goldberg, v.p.; J. Verne McKenzie, v.p., secretary & treasurer.

Directors: Warren E. Buffett, chairman; Charles T. Munger, Kenneth V. Chace, Malcom G. Chase, Jr., J. Verne McKenzie.

Business Activities: Engaged in spinning of yarn from synthetic fibers and weaving of fabrics from synthetic yarn, both spun and filament. Manufactures men's wear rayon linings, curtain materials, draperies, home furnishing materials. Also, through subsidiaries, the company is engaged in the underwriting of property and casual insurance, in the candy business, the trading stamps and motivation business and the newspaper business.

Plant Location:

New Bedford, Massachusetts

Divisions and Subsidiaries:

Bourne Mills of Canada, Ltd.
120 Wellington Street, W.
Toronto, Ontario, Canada

National Indemnity Company
3024 Harney Street
Omaha, Nebraska 68131

National Fire and Marine Insurance Co.
3024 Harney Street
Omaha, Nebraska 68131

Cornhusker Casualty Co.
3035 Harney Street
Omaha, Nebraska 68131

Lakeland Fire and Casualty Co.
6700 France Avenue South
Minneapolis, Minnesota 55435

Insurance Co. of Iowa
1228-8th Street
West Des Moines, Iowa 50265

Texas United Insurance Co.
1802 N E Loop 410
San Antonio, Texas 78217

Home and Automobile Insurance Co.
209 West Jackson Boulevard
Chicago, Illinois 60606

Cypress Insurance Company
Pasadena, California

Blue Chip Stamps (60% owned)
5801 South Eastern Avenue
Los Angeles, California 90040

Wesco Financial Corporation (48% owned)
315 E. Colorado Boulevard
Pasadena, California 91109

Illinois National Bank & Trust Co. of Rockford
(98% owned)
228 Main Street
Rockford, Illinois 61101

Sun Newspapers, Inc.
900 S. 74 Plaza, Suite 400
Omaha, Nebraska 68114

Waumbec Mills Incorporated
Manchester, New Hampshire
Produces woven goods for the drapery and apparel trade.

Precision Steel Warehouse, Inc. (80% owned)
Franklin Park, Illinois

Associated Retail Stores, Inc.
Long Island City, New York
Operates a chain of 88 popular priced women's apparel stores.

Nebraska Furniture Mart (90% owned)
Omaha, Nebraska
Operates a discount furniture store in Nebraska

Transfer Agent(s):

First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BKHT (NASDAQ)

Number of Stores: (at fiscal year end)

1983 91

Sales and Earnings ×

	Revenues ‡	Net Income
1983	$ 623,726,000	$ 113,493,000
1982	521,472,000	46,374,000
1981	529,234,000	62,604,000
1980*	429,157,000	53,122,000
1979	469,125,000	42,817,000

	No. of Com. Shares +	Earn. per Share +
1983	1,066,709	$ 106.40
1982	986,509	47.01
1981	986,322	63.47
1980*	1,027,145	51.72
1979	1,027,145	41.68

* 53 weeks.
× Restated to conform to current consolidation practices.
‡ Revenues include insurance premiums, sales of textile products, interest and dividend income, and equity in earnings of Wesco.
+ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1983	1982
Insurance	$ 217,729	$ 194,736
Textiles	26,611	21,755
Retailing	41,997	42,609
Candy	133,616	123,770
Steel serv. ctr.	46,266	37,483
Retailing of home furn.	28,910	—
Newspaper	90,161	63,630
Other	38,436	37,489
Total	$ 623,726	$ 521,472

Common Stock Equity

	Total Equity	Equity Per Share
1983	$1,119,193,000	$ 1049.20
1982	727,483,000	737.43
1981	519,463,000	526.84
1980	395,214,000	400.80
1979	344,962,000	335.85

Income Account *
(000's)

Year ended	12/31/83	1/1/83 ‡
Insurance prem. earned	$ 152,480	$ 152,945
Sales of manufacturing, merch. & serv. oper.	381,674	306,564
Int. & dividend income	85,903	58,003
Eq. in earn. of Mutual S. & L.	3,669	3,960
Revenues	$ 623,726	$ 521,472
Cost of prods. & serv. sold	214,362	177,508
Expenses	122,023	110,021
Insurance underwriting expense	52,243	52,508
Interest expense	15,104	14,995
Insurance losses	134,109	121,996
Income before taxes	$ 85,885	$ 44,444
Income taxes	10,353	2,524
Minority interest	7,337	10,423
Real. invest. gain	(45,298)	(14,877)
Net Income	$ 113,493	$ 46,374

* Included in Costs and Expenses, Depreciation and Amortization: $7,953,000 in 1983 and $7,092,000 in 1982.
‡ Restated.

Assets
(000's)

As of	12/31/83	1/1/83 ‡
Cash	$ 6,161	$ 7,762
Accts. receiv., net	72,813	113,770
*Inventories	37,516	26,039
Investments	1,515,738	1,227,119
Investments in affiliates	27,004	23,758
#Fixed assets	69,749	63,020
Other assets	48,084	57,993
Goodwill	79,327	13,823
Total Assets	$ 1,856,392	$ 1,533,284

Liabilities
(000's)

Long-term debt	$ 128,984	$ 169,947
Losses & loss adj. expenses	212,706	193,477
Unearned premiums	55,783	58,414
Accts. payable, accruals & other liab.	58,094	50,552
Income taxes	8,511	22,007
Deferred inc. taxes	194,462	149,987
Unredeemed trading stamps	60,669	60,240
Min. shareholders' int.	17,990	101,177
+ Common stock	6,876	6,071
Add. paid-in capital	157,377	3,517

Apprec. of eq. securities	481,953	358,121
Retained earnings	513,925	400,432
Treasury stock	(40,938)	(40,658)
Total Liabilities & Shareholders' Equity	$ 1,856,392	$ 1,533,284

‡ Restated.
* At LIFO cost or at lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Revenues	13.77	8.52
%Net Income to Revenues	18.20	8.89
%Net Income to Equity	10.14	6.37
Shareholders' Equity	$1,119,193,000	$727,483,000

Best Products Co., Inc.

Parham Road at I-95
Richmond, Virginia 23227
(804) 261-2000

Mailing address:

P.O. Box 26303
Richmond, Virginia 23260

Officers: Sydney Lewis, chairman of the board & chief executive officer; Andrew M. Lewis, president & chief operating officer; Frances A. Lewis, exec. v.p.; Robert E. R. Huntley, exec. v.p.; Joel D. Koblentz, exec. v.p. and chief financial officer; Richard T. Riley, sr. v.p.-specialty retailing division; Richard J. Ciofani, v.p.-accounting; Dudley L. Parker, Jr., sr. v.p.-administration; John Penn, v.p.-real estate & facilities development; Richard A. Schroeter, v.p. & treasurer; Fred A. Wollenberg, v.p.-planning; James J. Spencer, corp. secretary; Susan L. Butler, asst. v.p.-corp. philanthropy; Edwin J. Slipek, Jr., asst. v.p.-corp. communications; Wayne T. Tennent, asst. v.p.-corporate personnel and training.

Directors: Robert L. Burrus, Jr., David Arenstein, Robert Huntley, Andrew Lewis, Sydney Lewis, Frances Lewis, H. Fred Krimendahl, II, Ross R. Millhiser, James C. Wheat, Jr., Susan L. Butler, Cathleen Douglas Stone, Frank S. Royal, Harold Roitenberg.

Business Activities: Sells jewelry and nationally-advertised brand-name merchandise through catalog showrooms in 27 states under the names Best, LaBelle's, Jafco, Dolgin's, Rogers, Great Western and Miller Sales.

Acquisition(s):

Basco, Inc.
Operates 11 showrooms.

Modern Merchandising, Inc.
Operates 74 showrooms.

Transfer Agent(s):

United Virginia
9th & Main Streets
Richmond, Virginia 23219

Stock Exchange(s): New York

Ticker Symbol: BES

Number of Stores: (at fiscal year end)

1984	197	1981	92
1983	189	1980	76
1982	100		

Sales and Earnings

	Net Sales	Net Income
1/28/84	$2,081,328,000	$ 37,087,000
1/29/83	1,581,650,000	28,820,000
1/30/82*	772,727,000	19,511,000
6/27/81	1,002,037,000	24,161,000
6/28/80	841,803,000	20,204,000

	No. of Com. Shares #	Earn. Per Share #
1/28/84	26,443,000	$ 1.40
1/29/83	17,660,000	1.63
1/30/82*	14,553,000	1.37
6/27/81	14,535,000	1.66
6/28/80	14,213,000	1.42

* 7 months.
# Based on the weighted average number of common shares outstanding adjusted to reflct stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1/28/84	$0.23	—	3-for-2
1/29/83	0.21	—	—
1/30/82	0.17	—	—
6/27/81	0.16	—	—
6/28/80	0.15	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1/28/84	$ 422,381,000	$ 15.97
1/29/83	321,327,000	18.20
1/30/82	187,746,000	12.90
6/27/81	169,459,000	11.66
6/28/80	147,169,000	10.35

‡ After allowing for preferred stock at par value.
† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account
(000's)

As of	1/28/84	1/29/83
Net sales	$ 2,081,328	$ 1,581,650
Cost of sales	1,531,299	1,192,314
Expenses	384,313	268,519
Depreciation & amortization	58,764	39,607
Interest expense	36,286	25,134
Income before taxes	$ 70,666	$ 56,076
Income taxes	33,579	27,256
Net Income	$ 37,087	$ 28,820

Assets
(000's)

As of	1/28/84	1/29/83
Cash	$ 62,933	$ 15,444
Accts. receiv., net	50,745	42,003
*Inventories	635,776	547,668
Prepaid expenses	11,318	6,990
Current Assets	$ 760,772	$ 612,105
Investments	172,803	180,395
#Fixed assets	267,394	252,156
Other assets	12,443	13,940
Total Assets	$ 1,213,412	$ 1,058,596

Liabilities
(000's)

Long-term debt. curr.	$ 5,408	$ 5,437
Cap. lease oblig., curr.	6,708	6,533
Accts. payable	359,411	306,975
Accruals	72,251	67,533
Income taxes	24,812	21,993
Curr. Liabilities	$ 468,590	$ 408,471
Long-term debt	132,667	133,093
Cap. lease oblig.	178,015	183,224
Deferred credits	11,391	12,113
+Preferred Stock	368	368
+ +Common Stock	27,126	16,500
Add. paid-in capital	201,023	151,925
Retained earnings	194,232	162,952
Treasury stock	—	(10,050)
Total Liabilities & Shareholders' Equity	$ 1,213,412	$ 1,058,596

* At lower of cost (LIFO) or realizable market value.
# Less accumulated depreciation and amortization.
+ $10 par value, 6% cumulative, Series A.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.40	3.55
% Net Income to Sales	1.78	1.82
% Net Income to Equity	8.77	8.96
Sales to Inventories	3.27	2.89
Working Capital	$292,182,000	$203,634,000
Current Ratio	1.62	1.50
Shareholder's Equity	$422,749,000	$321,695,000

Big B, Inc.

201 Eighth Street
Birmingham, Alabama 35202
(205) 785-0335

Officers: Joseph Bruno, chairman of the board; Anthony J. Bruno, president; Arthur M. Jones, Sr., v.p.-finance, secretary & treasurer; Vincent J. Bruno, v.p.-merchandising & adv.; Bobby W. Little, v.p.-store operations; John F. Hight, Jr., v.p.-professional relations.

Directors: Joseph Bruno, chairman; Anthony J. Bruno, Arthur M. Jones, Sr., Vincent J. Bruno, Isaac L. Alderman, Katherine M. McTyeire, Richard Cohn.

Business Activities: Operates a chain of drug stores located in Florida, Alabama and Mississippi. Stores carry a broad range of health and beauty aids and general merchandise in addition to having pharmacies. Several units, known as B-Marts, are combination food and drug stores.

Transfer Agent(s):

First Alabama Bank
Birmingham, Alabama

Stock Exchange(s): Over-the-Counter

Number of Stores: (at fiscal year end)

1985	114	1983	83
1984	99	1982	76

Sales and Earnings

	Net Sales	Net Income
1985	$ 148,067,000	$ 4,442,000
1984	116,988,000	3,471,000
1983	87,413,000	2,541,000
1982	70,109,000	2,011,000
1981	65,349,000	1,911,000

	No. of Com. Shares †	Earn. per Share #
1985	6,574,416	$ 0.68
1984	6,559,844	0.53
1983	6,553,828	0.39
1982	5,301,410	0.38
1981	4,814,100	0.40

† Adjusted to reflect stock split.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

1984	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 30,194,000	$ 4.59
1984	25,534,000	3.89

Ametek, Inc.

Hunter Spring
One Spring Avenue
Hatfield, Pennsylvania 19440
(215) 822-2971
Patented springs, wire forms and reels.

Controls
860 Pennsylvania Boulevard
Feasterville, Pennsylvania 19047
(215) 355 6900
Electronic-pneumatic instruments, recorders, controllers.

Mansfield & Green
6185 Cochran Road
Solon, Ohio 44139
(216) 248-1020
Pressure testing and calibration instruments.

Microelectronics
605 S. Douglas Street
El Segundo, California 90245
(213) 640-2860

U.S. Gauge
900 Clymer Avenue
Sellersville, Pennsylvania 18960
(215) 257-6531
Aircraft, automotive and industrial pressure and temperature instruments.

U.S. Gauge
450 Polk Street
Bartow, Florida 33930
(813) 534-1504

Rodan
2905 Blue Star Street
Anaheim, California 92806
(714) 630-0081
Thermisters, electronics.

Thermox Instruments
6592 Hamilton Avenue
Pittsburgh, Pennsylvania 15206
(412) 361-7107
Oxygen measuring instruments and combustibles analyzers.

Process Equipment Group

Heat Transfer Equipment
2300 W. Marshall Drive
Grand Prairie, Texas 75050
(214) 647-2626
Heat exchangers.

U.S. Bellows/Process Equipment
26531 Ynez Road
Temecula, California 92390
(714) 676-4011
Tollhurst, Niagara and Filtration Engineers liquid-solids separation equipment.

Texas Flange
1127 Siber Road
Houston, Texas 77055
(713) 686-9611
Machined steel pipe couplings and flanges.

Valley Foundry & Machine
2510 S. East Avenue
Fresno, California 93706
(209) 233-6135
Produces winery equipment.

Schutte & Koerting
State Road & Traylor Avenue
Cornwells Heights, Pennsylvania 19020
(215) 639-0900
Jet apparatus, flow measuring instruments, valves and desuperheaters.

Schutte & Koerting
2381 Philmon Avenue
Bethayres, Pennsylvania 19006
(216) 947-1405
Heat exchangers and pollution control equipment.

Industrial Materials Group

Pacific Extrusion
1715 W. Beach Street
Watsonville, California 95076
(408) 724-2244
Extruded and custom-finished aluminum for automotive aircraft, appliance and communications industries.

Aluminum Extrusion
3024 Treadwell Street
Los Angeles, California 90065
(213) 255-1511
Aluminum extrusions.

Plymouth Products
502 Indiana Avenue
Sheboygan, Wisconsin 53081
(414) 457-9435
Proprietary plastic products for utility and traffic control uses; custom molding for original equipment manufacturers.

Westchester Plastics
Green Acres Industrial Park
Nesquehoning, Pennsylvania 18240
(717) 645-2191
Color compounding of plastic and elastomeric raw materials.

Westchester Plastics
14097 Cemetery Road
Wapakoneta, Ohio 45895
(419) 738-2141
Custom-formulated industrial plastic compounds.

Special Filaments
351 Telegraph Road
Odenton, Maryland 21113
(301) 569-4500
Monofilaments and thermoplastic materials.

Silicon Materials, Inc.
341 Moffett Boulevard
Mountain View, California 94043
(415) 965-9890
Supplier of semiconductor and solar energy cell materials.

Microfoam, Inc.
Produces low-density polypropylene foam packaging material.

Haveg, Inc
Develops industrial plastics.

Subsidiaries & Affiliates:

AMETEK (Canada) LTD.
Montreal, Quebec, Canada
Laundry equipment for commercial, hospital and hotel installations; drycleaning equipment.

AMETEK, G.m.b.H.
Wiesbaden, West Germany
Management and marketing for AMETEK's foreign operations.

Ketema, Ltd.
Hamilton, Bermuda

Metron, S.A.
Naucalpan de Juarez, Mexico
AMETEK-licensed instruments in Latin America.

Rodan Industries, Inc.
Anaheim, California
Manufactures thermistors, a solid-state device which produces precise changes in electrical resistance as temperatures increase or decrease.

Acquisition(s):

Eastport International, Inc.
Operation and maintenance of off-shore work vehicles.

Power Instruments, Inc.
Skokie, Illinois
Produces hand-held tachometers and stroboscopes used to measure the speed, rotation or revolutions per minute of motors, machinery and equipment.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10015

Stock Exchange(s): New York, Pacific

Ticker Symbol: AME

Number of Employees:

1984	6,100	1981	7,000
1983	5,900	1980	6,700
1982	5,600		

Sales and Earnings

	Net Sales	Net Income #
1984	$ 503,925,648	$ 42,696,640
1983	448,152,359	37,753,023
1982	423,651,210	27,263,502
1981	448,086,239	26,487,753
1980	400,179,564	31,664,884

	No. of Com. Shares ‡	Earn. per Share † #
1984	21,875,219	$ 1.96
1983	21,713,370	1.74
1982	21,920,572	1.25
1981	21,771,668	1.22
1980	21,575,878	1.01

‡ Adjusted to reflect stock split.

† Based on average number of shares outstanding adjusted to reflect stock split.

# Including extraordinary gain of $5,671,423 ($0.26 per share) in 1983.

Revenues By Line of Business

	1984	1983
Electro-mechanical	$ 175,889,000	$ 160,015,000
Process equipment	48,929,000	55,719,000
Precision instruments	133,252,000	112,004,000
Industrial materials	145,856,000	120,414,000
Total	$ 503,926,000	$ 448,152,000

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.70	—	2-for-1
1982	0.60	—	—
1981	0.52½	—	—
1980	0.50	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 200,912,456	$ 9.18
1983	175,683,331	8.09
1982	159,082,936	7.26
1981	143,436,505	6.59
1980	126,670,134	5.87

‡ Adjusted to reflect stock split.

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 503,925,648	$ 448,152,359
Cost of sales	370,108,068	332,726,036
Expenses	57,526,685	48,076,084
Depreciation	14,479,161	13,633,145
Other income	(7,863,906)	(4,479,506)
Income before taxes	$ 69,675,640	$ 58,196,600
Income taxes	26,979,000	26,115,000
Net Income	$ 42,696,640	$ 32,081,600
Extraordinary credit	—	5,671,423
Net income & extraordinary credit	$ 42,696,640	$ 37,753,023

Assets

As of Dec. 31	1984	1983
Cash	$ 76,894,337	$ 73,066,584
Accts. & notes receiv., net	61,943,846	60,055,655
*Inventories	48,792,146	44,507,590

Prepaid expenses & deposits	6,211,115	12,575,472
Current Assets	$ 193,841,444	$ 190,205,301
#Fixed assets	100,204,903	98,800,623
Other assets	43,015,669	20,230,182
Total Assets	$ 337,062,016	$ 309,236,106

Liabilities

Long-term debt, curr.	$ 5,565,000	$ 4,161,000
Accts. payable	24,023,529	22,336,903
Accruals	33,507,525	34,146,137
Income taxes	9,618,168	5,486,094
Curr. Liabilities	$ 72,714,222	$ 66,130,134
Long-term debt	41,141,338	46,709,641
Deferred inc. taxes	22,294,000	20,713,000
+ Common stock	22,830,287	22,612,838
Add. paid-in capital	4,174,347	1,364,024
Retained earnings	187,736,616	162,507,599
Treasury stock	(12,103,794)	(10,801,130)
Loss on investment	(1,725,000)	—
Total Liabilities & Shareholders' Equity	$ 337,062,016	$ 309,236,106

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.83	12.99
%Net Income to Sales	8.47	7.16
%Net Income to Equity	21.25	18.26
Sales to Inventories	10.33	10.07
Working Capital	$121,127,222	$124,075,167
Current Ratio	2.67	2.88
Shareholders' Equity	$200,912,456	$175,683,3[illegible]1

AMF Incorporated

777 Westchester Avenue
White Plains, New York 10604
(914) 694-9000

Officers: W. Thomas York, chairman & chief executive officer; William P. Sovey, president & chief operating officer; Stanley Groner, exec. v.p.-admn.; Hans W. Lange, Robert A. Lahr, Robert J. Conway, Frederick A. Poss, Bill W. Sorenson, vice presidents & group executives; Bradley E. Hosmer, v.p.-group services; Jack Wireman, Jr., v.p.-engineering & research; J. Edward Sheridan, v.p.-finance; Arthur M. Warren, staff v.p. & treasurer; John S. Johnson, v.p. & general counsel; Jerry T. Bowlin, staff vice president & secretary; Timothy C. Sullivan, v.p.-human resources & public affairs; Hugh F. Regan, v.p. & controller.

Directors: W. Thomas York, chairman of the board; William H. Bricker, John L. Huck, Roy M. Huffington, Ralph S. Saul, John F. McGillicuddy, Barbara Knowles Debs, Francis C. Rooney, Jr., Raymond A. Hay, William P. Sovey.

Electronic & Related Divisions & Subsidiaries:

Paragon Electric Company
606 Parkway Boulevard
Two Rivers, Wisconsin 54241
(414) 793-1161

Electric timing devices; time controls; time switches; defrost controls; cycle repeaters; interval, reset and sequence timers; time delay relays; synchronous clock and drive-type motors; shaded pole motors; photo-electric controls; security devices; permanent magnet motors; ground fault circuit interrupters.

Potter & Brumfield Division
AMF
200 Richland Creek Drive
Princeton, Indiana 47671
(812) 386-1000

"P & B" electro-mechanical relays, including general purpose, power, special purpose, sensitive, high performance, dry reed, mercury-wetted reed, and telephone types. Solid state time delays; sequence and voltage sensors. All solid state and hybrid relays. Precision snap-action switches. Custom control assemblies; circuit breakers.

Industrial Equipment and Services

AMF Cuno General Products Filter Division
400 Research Parkway
Meriden, Connecticut 06450
(203) 237-5541

Industrial and domestic filters and strainers for liquids and gases; demineralizers and reverse osmosis systems for industrial water conditioning.

AMF Tuboscope, Inc.
2919 Holmes Road
Houston, Texas 77001
(713) 749-5100

Field inspection services for oil field tubular goods, automated equipment for production line inspection of welded and seamless tubular goods; in-place inspection of pipe lines; plastic coatings for tubular goods, tanks and other metal products.

AMF Geo Space
Houston, Texas

Manufactures geophones used in seismic exploration.

AMF Tire Equipment Division
Buena Park, California

Orbitread electronic treadmaker automates the application of tread rubber to used and new tire casings for off-the-road, truck and passenger tires.

AMF Logic Sciences, Inc.
Houston, Texas

Manufactures graphic data processing and display systems for the petroleum industries.

AMF Control Systems
Carrollton, Texas

Transfer Agent(s):

Manufacturers Hanover Trust Company
(common and preferred stock)
P.O. Box 24935
Church Street Station
New York, New York 10249

Stock Exchange(s): New York, Midwest, Pacific, London

Ticker Symbol: AMF

Number of Employees:

1984	18,684	1981	21,320
1983	18,738	1980	26,040
1982	17,273		

Sales and Earnings

	Revenues (000's)	Net Income † (000's)
1984	$ 1,095,271	$ 14,872
1983	970,519	(1,494)
1982	1,054,218	12,271
1981	1,151,804	41,981
1980	1,049,782	58,016

	No. of Com. Shares #	Earn. per Shares # †
1984	26,127,622	$ 0.45
1983	23,698,181	—
1982	23,256,933	0.53
1981	22,777,007	1.84
1980	22,455,212	2.58

(Loss)
†Including extraordinary gain of $1,747,000 ($0.07 per share) in 1983.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Bowling prods.	$ 179,442	$ 148,076
Marine prods.	108,027	74,850
Sports prods.	209,228	209,972
Automated process equipment	107,745	117,929
Electronic controls & systems	179,988	157,642
Energy serv. & prods.	231,178	189,643
Specialty materials	79,663	72,407
Total	$ 1,095,271	$ 970,519

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.715	—	—
1982	1.36	—	—
1981	1.27	—	—
1980	1.24	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 420,010,000 +	$ 16.03
1983	432,752,000 +	16.70
1982	423,653,000	18.08
1981	453,989,000	19.68
1980	449,635,000	19.94

‡ After allowing for preferred stock at par value.
+ After allowing for preference stock at liquidation value.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,061,467	$ 935,693
Rentals	33,804	34,826
Total income	$ 1,095,271	$ 970,519
Cost of sales & operating expenses	703,305	626,026
Expenses	294,192	278,861
Depreciation & amortization	59,619	58,132
Other income	(17,798)	(13,939)
Interest expense	27,185	25,655
Income (loss) before taxes	$ 28,768	$ (4,216)
Income taxes (credit)	13,896	(975)
Net Income (Loss)	$ 14,872	$ (3,241)
Extraordinary gain	—	1,747
Net Income (Loss) & extraord. gain	$ 14,872	$ (1,494)

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 31,799	$ 55,920
Notes and accounts receiv. net	298,972	260,951
*Inventories	151,369	126,841
Prepaid expenses	10,973	14,232
Fut. inc. tax benefits	21,951	20,383
Current Assets	$ 515,064	$ 478,327
#Fixed assets	349,643	360,484
#Machines leased to customers	15,455	15,988
Other assets	59,283	56,841
Total Assets	$ 939,445	$ 911,640

Liabilities
(000's)

Notes payable	$ 55,563	$ 22,272
Long-term debt, curr.	5,062	5,313
Accts. payable	84,387	73,691
Accruals	121,278	123,506
Income taxes	18,599	14,503
Curr. Liabilities	$ 284,889	$ 239,285
Long-term debt	169,914	174,823
Deferred inc. taxes	28,795	28,943
+ Preferred stock	1,000	1,000
+ + Preference stock	35,000	35,000
+ + + Common stock	47,595	47,093
Add. paid-in capital	118,300	114,571
Retained earnings	332,524	333,931
For. curr. transl.	(51,484)	(35,875)
Treasury stock	(27,088)	(27,131)
Total Liabilities & Shareholders' Equity	$ 939,445	$ 911,640

* At lower of cost or market. Domestic inventories at LIFO, other inventories at FIFO or average.
# Less accumulated depreciation.
+ $100 par value: $3.90% cumulative.
+ + No par value: convert. adjust.
+ + + $1.75 par value.

Statistical Summary

%Income before Taxes to Sales	2.71	—
% Net Income to Sales	1.40	—
%Net Income to Equity	3.26	—
Sales to Inventories	7.01	7.38
Working Capital	$230,175,000	$239,042,000
Current Ratio	1.81	2.00
Shareholders' Equity	$455,847,000	$468,589,000

AMP Incorporated/Pamcor, Inc.

470 Friendship Road
Harrisburg, Pennsylvania 17105
(717) 564-0100

Officers: Walter F. Raab, chairman of the board & chief executive officer; Harold A. McInnes, president & director; W. Bennett Conner, v.p.-director of marketing; James E. Marley, v.p.-operations; Mark L. Miller, treasurer; Benjamin Savidge, v.p. & controller; Hugo A. Walfred, secretary & general legal counsel; Gerald F. Englehart, v.p.-international; Joseph P. Sweeney, v.p.-technology.

Directors: J.D. Brenner*, Alexander P. Hixon, R.E. Jordan, Walter F. Raab*, R.D. DeNunzio, J.J. Burdge, Harold A. McInnes*, William S. West, C.J. Fredricksen*, W.E.C. Dearden.

* Member of the Executive Committee.

Areas of Work: The company produces electrical and electronic connections, switching and programming devices-including solderless terminals, splices, packaging and interconnection devices, multiple and coaxial connectors, switches and programming systems-and the application tools and machines to attach these devices to wires, cables, or circuit boards. It also produces electronic power units and other electrical/electronic components.

Subsidiaries:

AMP Products Corporation
Valley Forge, Pennsylvania

AMP Keyboard Technologies, Inc.
Burlington, Massachusetts

Carroll Touch Inc.
Austin, Texas

AMP of Canada, Ltd.
Toronto, Canada

AMP de France S.A.
Paris, France

AMP Holland B.V.
s'Hertogenbosch, The Netherlands

AMP of Great Britain Limited
London, England

AMP Italia S.p.A.
Turin, Italy

AMP Deutschland G.m.b.H.
Frankfurt, West Germany

AMP Espanola, S.A.
Barcelona, Spain

AMP (Japan), Ltd.
Tokyo, Japan

Australian AMP Pty. Limited
Sydney, Australia

AMP de Mexico, S.A.
Mexico City, D.F. Mexico

AMP S.A. Argentina
Buenos Aires, Argentina

AMP Finland OY
Helsinki, Finland

AMP do Brasil Ltda.
Sao Paulo, Brazil

AMP (Schweiz) A.G.
Lucerne, Switzerland

AMP Osterreich Handelsges m.b.H.
Vienna, Austria

AMP Norge A/S
Oslo, Norway

AMP Svenska AB
Stockholm, Sweden

AMP Singapore Pte. Ltd.
Singapore

AMP Taiwan
Taipei, Taiwan

AMP Belgium*
Brussels, Belgium

AMP Denmark*
Viby, Denmark

AMP Products Pacific Ltd.
Hong Kong

AMP Ireland Limited
Dublin, Ireland

New Zealand AMP Ltd.
Auckland, New Zealand

* Branch of AMP-Holland B.V.

Transfer Agent(s):

Manufacturers Hanover Trust Company
P.O. Box 24935
Church Street Station
New York, New York 10249

The Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): New York

Ticker Symbol: AMP

Number of Employees:

1984	24,500	1981	19,650
1983	21,300	1980	18,650
1982	19,750		

Plant Footage:

1984	N.A.	1981	7,000,000
1983	8,000,000 sq.ft.	1980	6,300,000
1982	7,000,000		

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$1,812,824,000	$ 201,282,000
1983	1,515,460,000	163,100,000
1982	1,243,438,000	118,900,000
1981	1,234,295,000	134,800,000
1980	1,155,382,000	123,700,000

	No. of Com. Shares +	Earn. per Share ‡
1984	107,700,000	$ 1.87
1983	107,500,000	1.52
1982	107,700,000	1.10
1981	107,800,000	1.25
1980	108,000,000	1.15

+ Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.64	—	3-for-1
1983	0.53⅓	—	—
1982	0.46⅔	—	—
1981	0.10	—	—
1980	0.33⅓	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 923,200,000	$ 8.57
1983	800,900,000	7.45
1982	714,500,000	6.63
1981	660,500,000	6.13
1980	577,700,000	5.35

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$1,812,824,000	$1,515,460,000
Cost of sales	1,136,041,000	926,495,000
Expenses	307,328,000	291,963,000
Interest expense	13,621,000	12,163,000
Other income	(6,748,000)	(7,799,000)
Income before taxes	$ 362,672,000	$ 292,638,000
Income taxes	161,390,000	129,510,000
Net Income	$ 201,282,000	$ 163,128,000

* Included in Costs and Expenses. Depreciation: $75,118,000 in 1984 and $63,287,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & time deposits	$ 52,038,000	$ 21,299,000
Marketable securities	110,495,000	127,643,000
Receiv., net	264,332,000	279,371,000
*Inventories	387,653,000	307,759,000
Other curr. assets	29,780,000	29,707,000
Current Assets	$ 844,298,000	$ 765,779,000
Investments & other assets	22,697,000	10,702,000
#Fixed assets	620,380,000	461,919,000
Total Assets	$1,487,375,000	$1,238,400,000

Liabilities

Short-term debt	$ 174,958,000	$ 48,672,000
Accts. payable	108,799,000	101,898,000
Accruals	16,090,000	16,411,000
Accrued payroll	58,048,000	56,370,000
Accrued inc. taxes	97,046,000	95,879,000
Curr. Liabilities	$ 454,941,000	$ 319,230,000
Long-term debt	27,319,000	46,947,000
Invest. tax credit	16,932,000	15,118,000
Deferred income	18,569,000	24,118,000
Deferred inc. taxes	46,399,000	32,134,000
+Common stock	12,480,000	12,480,000
+ +Common stock	20,000	20,000
Add. paid-in capital	28,395,000	27,235,000
Cum. trans. adj.	(57,351,000)	(39,439,000)
Retained earnings	986,238,000	853,845,000
Treasury stock	(46,567,000)	(53,288,000)
Total Liabilities & Shareholders' Equity	$1,487,375,000	$1,238,400,000

* At lower of cost (average) or market.
# Less accumulated depreciation.
+ No par value, AMP Incorporated.
+ + $1 par value, Pamcor, Inc.

Statistical Summary

%Income before Taxes to Sales	20.01	19.31
%Net Income to Sales	11.10	10.76

%Net Income to Equity	21.80	20.37
Sales to Inventories	4.68	4.92
Working Capital	$389,357,000	$446,549,000
Current Ratio	1.86	2.40
Shareholders' Equity	$923,215,000	$800,853,000

Analog Devices, Inc.

Two Technology Way
Norwood, Massachusetts 02062
(617) 329-4700

Officers: Ray Stata, chairman of the board & president; Joseph M. Hinchey, sr. v.p.-finance; Lawrence T. Sullivan, sr. v.p.-corporate development & gen. mgr.-Analog Devices Enterprises; Heinrich F. Krabbe, v.p.; Crawford W. Beveridge, v.p.-human resources; A. Graham Sterling, v.p.; Jerald G. Fishman, group v.p.-components; James R.F. Kunkemueller, treasurer; Melvin J. Sallen, group v.p.-sales; Paul P. Brountas, clerk.

Directors: Matthew Lorber, Ray Stata, Philip L. Lowe, Joel Moses, Gordon C. McKeague.

Areas of Work: Designs, manufactures and markets electronic components and subsystems used for the acquisition, conditioning, conversion, transmission and display of analog and digital data in precision measurement and control systems. Its products fall into three broad classes: Computer Interface products -analog-to-digital and digital-to-analog converters and accessories which interconnect physical analog data to digital computers; analog products, operational amplifiers, instrumentation amplifiers, multipliers and dividers which modify analog data; and Modular Instruments -devices such as digital panel meters which convert analog signals into digital form and display the information so that it is readable.

Divisions:

Analog Devices Semiconductor
Microelectronics Division
Measurement and Control Division
Computer Labs Division
Component Test Systems

Analog Devices Enterprises
Venture capital division.

Digital Signal Processing - Development Labs

ADventures Limited Partnership
Small limited partnership in which ADI makes investments on behalf of another company.

Digital Signal Processing Division

Machine Vision Products
Research in automatic inspection and robotic vision.

Subsidiaries:

Analog Devices Limited
Central Avenue
East Molesey
Surrey, England

Analog Devices, GmbH
Edelsbergstrasse 8-10
D-8000 Munich 2
West Germany

Analog Devices, S.A.
Centre D-Affaires SILIC
12, Rue Le Corbusier
Silic 204 Batiment "Iena"
France

Analog Devices KK
Jibiki Building
7-8 Kojimachi 4-chome
Chiyoda-ku, Tokyo, Japan

Analog Devices, A/S
Marielundrej 46D
2730 Herlev
Denmark

Analog Devices Benelux
Beneluxweg 27
4904 SJ Oosterhout
The Netherlands

Analog Devices Benelux
Justitiestraat 18
2018 Antwerp, Belgium

Analog Devices S.A.
9 Rue de Berne
1201 Geneva, Switzerland

Analog Devices
Raheen Industrial Estate
Limerick, Ireland

Analog Devices SRL
Via Medardo Rosso 18
20159 Milana, Italy

Analog Devices Ltd.
6 Borochov Street
Raananna, Israel 43433

Analog Devices AB
Mariehallsvagen 42
Box 20093
S-16120 Bromma, Sweden

Analog Devices Philippines
Edison Avenue, KM-14
S. Expressway
Parangue, Metro Manila, Philippines

Analog Devices K.K. Tech Center
3210-2 Kawajiri Shiroyama-Cho
Tsukui-Gun Kanagawa, Japan

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: ADI

Number of Employees:

1984	4,759	1981	2,735
1983	3,661	1980	2,726
1982	3,059		

Plant Footage:

1984	852,100 sq. ft.	1981	591,000
1983	735,100	1980	390,000
1982	610,100		

Sales and Earnings

	Net Sales	Net Income
1984	$ 313,418,000	$ 37,362,000
1983	214,037,000	18,432,000
1982	173,986,000	9,878,000
1981	156,236,000	4,589,000
1980	135,660,000	9,298,000

	No. of Com. Shares #	Earn. per Share #
1984	27,085,000	$ 1.38
1983	25,310,000	0.73
1982	24,043,000	0.41
1981	22,890,000	0.20
1980	21,073,000	0.44

# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983	1982	1981
Intergrated circuit prods.	70%	65%	64%	62%
Assembled prods.	30	35	36	38
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	4-for-3
1983	—	—	3-for-2
1982	—	—	5-for-4
1981	—	—	5-for-4
1980	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 169,521,000†	$ 7.25
1983	134,693,000†	5.84
1982	75,132,000†	3.52
1981	65,323,000†	3.02
1980	48,842,000	2.29

† After allowing for preferred stock at liquidation value.
# Adjusted to reflect stock splits.

Income Account *

Year ended	11/3/84	10/29/83
Net sales	$ 313,418,000	$ 214,037,000
Cost of sales	134,064,000	98,951,000
Expenses	122,424,000	82,450,000
Other expense	572,000	321,000
Interest expense	1,048,000	5,356,000
For. curr. exp. (inc.)	366,000	(147,000)
Income before taxes	$ 54,944,000	$ 27,106,000
Income taxes	17,582,000	8,674,000
Net Income	$ 37,362,000	$ 18,432,000

* Included in Costs and Expenses, Depreciation and Amortization: $18,341,000 in 1984 and $12,548,000 in 1983.

Assets

As of	11/3/84	10/29/83
Cash	$ 13,809,000	$ 24,230,000
Accts. receiv., net	60,534,000	41,566,000
*Inventories	73,189,000	56,600,000
Prepaid expenses	1,625,000	1,897,000
Prepaid taxes	2,850,000	4,053,000
Current Assets	$ 152,007,000	$ 128,346,000
#Fixed assets	112,446,000	69,410,000
Investments	24,224,000	14,500,000
Defer. charges & other assets	3,417,000	5,711,000
Intangibles	3,993,000	4,570,000
Total Assets	$ 296,087,000	$ 222,537,000

Liabilities

Notes payable	$ 1,402,000	$ 2,046,000
Oblig. under cap. leases	2,658,000	1,780,000
Accts. payable	27,603,000	15,599,000
Accruals	19,824,000	10,736,000
Income taxes	13,538,000	8,205,000
Curr. Liabilities	$ 65,025,000	$ 38,366,000
Long-term debt	23,200,000	22,408,000
Oblig. under cap. leases	6,759,000	5,275,000
Deferred inc. taxes	5,200,000	5,198,000
Other liabilities	643,000	180,000
+ Preferred stock	26,000	16,000
+ + Common stock	4,247,000	3,152,000
Add. paid-in capital	104,593,000	92,721,000
Retained earnings	95,323,000	57,961,000
Foreign currency translation	(3,902,000)	(2,470,000)
Treasury stock	(5,027,000)	(270,000)
Total Liabilities & Shareholders' Equity	$ 296,087,000	$ 222,537,000

* At lower of cost or market. LIFO cost for Irish and most U.S. inventories; remainder at FIFO.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $0.16⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	17.53	12.66
%Net Income to Sales	11.92	8.61
%Net Income to Equity	19.13	12.20
Sales to Inventories	4.28	3.78
Working Capital	$ 86,982,000	$ 89,980,000

Current Ratio	2.34	3.35
Shareholders' Equity	$195,260,000	$151,110,000

Analogic Corporation

Centennial Drive
Peabody, Massachusetts 01961
(617) 246-0300

Officers: Bernard M. Gordon, chairman of the board & president; Bernard L. Friedman, vice chairman; John A. Tarello, sr. v.p.; C. Frederic Young, v.p. & treasurer; Martyn E. Culverhouse, Harold S. Goldberg, Michael A. Koulopoulos, Leopold Neumann, Edmund F. Becker, Jr., Daniel Abenaim, Richard F. Powell, M. Ross Brown, Thimas J. Dempsey, John McG. Dobbs, v.p.'s; Julian Soshnick, v.p. & general counsel; Lawrence M. Levy, clerk.

Directors: Bernard M. Gordon, Bernard L. Friedman, C. Frederic Young, John A. Tarello, Martyn E. Culverhouse, Jules J. Schwartz, Gerald L. Wilson, Vessarios Chigas.

Areas of Work: Engaged in the design, manufacture, and marketing of advanced precision data conversion, and computer-based signal processing instruments and equipment, which are used to acquire, condition, translate, compute, interpret, store, transmit, or display critical data in modern industrial, scientific, medical, communications and other system applications.

Subsidiaries:

Analogic Limited
68 High Street
Weybridge, KT13 8BN, England

Analogic International, Inc.
Centennial Drive
Peabody, Massachusetts 01961

Analogic GmbH
Daimlerring 2
6200 Wiesbaden
Nordenstadt, West Germany

Transfer Agent(s):

State Street Bank and Trust Co.
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ALOG (NASDAQ)

Number of Employees:

1984	N.A.	1981	1,510
1983	1,900	1980	1,400
1982	1,700		

Plant Footage:

1984	N.A.	1982	270,000
1983	500,000 sq. ft.	1981	240,000

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 141,311,783	$ 16,506,310
1983	128,804,901	15,093,893
1982	105,989,360	11,809,795
1981	82,860,660	8,797,265
1980	67,010,421	6,029,896

	No. of Com. Share +	Earn. per Share +
1984	18,389,851	$ 0.90
1983	17,706,518	0.85
1982	16,849,674	0.70
1981	16,379,044	0.54
1980	13,778,652	0.44

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 129,743,796	$ 7.06
1983	113,416,311	6.41
1982	69,500,650	4.12
1981	56,922,708	3.48
1980	28,119,040	2.04

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended July 31	1984	1983
Net sales	$ 141,311,783	$ 128,804,901
Cost of sales	81,737,760	72,352,317
Expenses	39,532,587	34,562,713
Interest expense	660,449	—
Interest income	(4,529,532)	(2,227,722)
Gain from sale of secur.	(1,310,791)	—
Loss in eq. & earn. from affil. co.	561,600	819,700
Income before taxes	$ 24,659,710	$ 23,297,893
Income taxes	8,153,400	8,204,000
Net Income	$ 16,506,310	$ 15,093,893

* Included in Costs and Expenses, Depreciation and Amortization: $4,399,090 in 1984 and $3,181,357 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 35,430,463	$ 28,942,044
Market securities	1,978,672	9,932,365
Accts. receiv., net	32,070,651	31,983,442
*Inventories	45,798,389	34,389,430
Prepaid expenses	619,871	589,807
Deferred inc. taxes	875,868	908,739
Current Assets	$ 116,773,914	$ 106,745,827
#Fixed assets	43,470,103	36,532,739
Invest. in affil. co.	897,409	1,730,300
Other assets	8,466	22,420
Total Assets	$ 161,149,892	$ 145,051,286

Liabilities

Notes payable	$ 191,053	$ —
Cap. lease oblig., curr.	229,653	207,628
Accts. payable	7,829,426	8,284,425
Accruals	1,617,681	1,544,134
Cust. deposits	3,654,642	4,504,834
Accrued payroll	3,193,099	2,631,999
Income taxes	—	710,886
Curr. Liabilities	$ 16,715,554	$ 17,883,906
Long-term debt	12,178,827	12,408,483
Deferred inc. taxes	2,511,715	1,342,586
+ Common stock	962,653	952,057
Add. paid-in capital	62,450,629	59,254,275
Retained earnings	69,770,946	53,264,636
Treasury stock	(1,640,210)	(54,657)
Unearned compensation	(1,800,222)	—
Total Liabilities & Shareholders' Equity	$ 161,149,892	$ 145,051,286

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.45	18.09
%Net Income to Sales	11.68	11.72
%Net Income to Equity	12.72	13.31
Sales to Inventories	3.09	3.75
Working Capital	$100,058,360	$ 88,861,921
Current Ratio	6.99	5.97
Shareholders' Equity	$129,743,796	$113,416,311

Anaren Microwave, Inc.

6635 Kirkville Road
Syracuse, New York 13057
(315) 432-8909

Officers: Hugh A. Hair, president & chief exec. officer; Carl W. Gerst, Jr., exec. v.p. & chief operating officer; Michael G. Rowe, treasurer & chief financial officer; Robert A. Worden, v.p. - business & resource planning; William J. Mackay, secretary.

Directors: Hugh A. Hair, Carl W. Gerst, Jr., William J. Mackay, Abraham Manber, Solomon Manber.

Areas of Work: Designs, engineers and manufactures microwave components and completely integrated microwave assemblies used in sophisticated microwave installations. The Company's microwave componentry is utilized in navigation, fire-control radar, electronic countermeasures, electronic surveillance, telemetry, instrumentaion and communications systems.

Subsidiaries:

Anaren Microwave, Ltd.
Unit 2 Blackwater Way
Aldershot Hants. GU12 4DK
England

Anaren International, Inc.
Syracuse, N.Y.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ANEN (NASDAQ)

Plant Footage:

1984	105,000 sq. ft.	1981	42,000
1983	42,000	1980	37,000
1982	42,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 22,737,339	$ 1,813,224
1983	17,713,550	1,157,548
1982	13,129,689	866,120
1981	11,236,959	649,045
1980	8,304,300	421,617

	No. of Com. Shares	Earn. per Share #
1984	4,013,083	$ 0.45
1983	3,308,647	0.35
1982	3,258,250	0.27
1981	3,120,726	0.21
1980	2,844,914	0.15

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	100%	—

Common Stock Equity

	Total Equity	Equity # Per Share
1984	$ 19,356,303	$ 4.82
1983	9,532,149	2.88
1982	8,274,601	2.54
1981	7,314,681	2.34
1980	5,415,636	1.90

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 22,737,339	$ 17,713,550
Other income	347,249	6,411
Total income	$ 23,084,588	$ 17,719,961
Cost of sales	14,618,227	10,977,887
Expenses	5,237,516	4,274,652
Interest expense	456,315	690,208
Income before taxes	$ 2,772,530	$ 1,777,214
Income taxes	959,306	619,666
Net Income	$ 1,813,224	$ 1,157,548

* Included in Costs and Expenses, Depreciation and Amortization: $1,328,667 in 1984 and $1,082,329 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 4,128,730	$ 434,875
Receiv., net	6,831,829	4,646,735
*Inventories	8,510,164	7,383,051
Prepaid expenses	70,297	73,700
Current Assets	$ 19,541,020	$ 12,538,361
#Fixed assets	7,855,189	6,718,967
Other assets	201,656	309,320
Total Assets	$ 27,597,865	$ 19,566,648

Liabilities

Long-term debt, curr.	$ 589,014	$ 332,127
Accts. payable	1,683,215	1,296,357
Accruals	1,543,658	1,282,869
Deferred inc. taxes	105,854	82,590
Curr. Liabilities	$ 3,921,741	$ 2,993,943
Advance on contract	—	865,813
Deferred inc. taxes	698,082	549,945
Long-term debt	3,621,739	5,624,798
+ Common stock	44,221	35,596
Add. paid-in capital	13,808,852	5,796,122
Retained earnings	5,669,693	3,856,469
Treasury stock	(166,463)	(156,038)
Total Liabilities & Shareholders' Equity	$ 27,597,865	$ 19,566,648

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.19	10.03
%Net Income to Sales	7.97	6.53
%Net Income to Equity	9.37	12.14
Sales to Inventories	2.67	2.40
Working Capital	$15,619,279	$9,544,418
Current Ratio	4.98	4.19
Shareholders' Equity	$19,356,303	$9,532,149

Andersen Group, Inc.

1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Officers: Oliver R. Grace, chairman & chief executive officer; Francis E. Baker, president; Kenneth T. Kelley, v.p. & general counsel; Timothy E. Griffin, treasurer; Elmer J. Dahl, secretary; Martin H. Anderson, asst. secretary; John J. Nicholson, controller; Franklin R. Stoner, director-personnel.

Directors: Oliver R. Grace*, chairman; Francis E. Baker*, Joseph F. Engelberger, Richard Rachals*, George B. Raymond, Ratus L. Kelly, Louis Lubrano.

* Member of the Executive Committee.

Areas of Work: Develops, produces and markets electronic signal processing products and medical products and services.

Divisions and Subsidiaries:

Andersen Laboratories, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Engaged in the design and manufacture of high-technology electronic components and equipment based on advanced acoustic technology. Products include surface acoustic wave (SAW) filters, dispersive and non-dispersive delay lines, bulk acoustic wave (BAW) delay lines, IMCON delay lines and acousto-optic cells.

Microtime, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Develops, manufactures and sells video signal processing equipment to the professional broadcasting, cable, industrial and educational markets. Products include time base correctors, synchronizers, and digital video effects.

CDI Medical Services, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Provides ambulatory monitoring services to physicians, hospitals and patients for the diagnosis and management of cardiovascular disorders.

Biosound, Inc.
1280 Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 242-0761

Makes and sells high resolution, real-time ultrasonic imaging equipment for medical use.

Seratronics, Inc.
Concord, California

Specializes in microprocessor controlled, electromechanical equipment for use in hemodialysis.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
450 W. 33rd Street
New York, New York 10001

Connecticut National Bank
777 Main Street
Hartford, Connecticut 06115

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ANDR (NASDAQ)

Number of Employees:

1984	N.A.	1981	430
1983	660	1980	414
1982	510		

Plant Footage:

1984	N.A.	1981	80,000
1983	N.A.	1980	80,000
1982	110,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales +	Net Income
1985	$ 48,431,000	$ 2,210,000
1984	38,534,000	2,292,000
1983	29,656,000	1,740,000
1982	23,502,000	1,961,000
1981	19,437,000	1,452,000

	No.of Com. Shares ‡	Earn per Share ‡
1985	2,411,650	$ 1.23
1984	2,426,004	1.27
1983	1,993,691	0.98
1982	1,700,265	1.15
1981	1,645,050	0.48

+ Of continuing operations only.
‡ Based on the weighted average number of shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	3-for2
1983	—	—	—
1982	—	10%	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 15,771,000	$ 6.54
1984	13,403,000	7.50
1983	11,065,000	6.20
1982	9,065,000	5.25
1981	6,665,000	4.05

† Adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended Feb.28	1985	1984
Net sales & other income	$ 48,431,199	$ 38,533,553
Cost of sales	21,568,739	17,723,832
Expenses	22,713,472	16,322,877
Interest expense	1,463,550	1,182,000
Income bef. taxes	$ 2,685,438	$ 3,304,844
Income taxes	345,000	900,000
Minority interest	80,750	112,483
Eq. in loss of joint venture	50,000	—
Net Income	$ 2,209,688	$ 2,292,361

* Included in Costs and Expenses, Depreciation and Amortization: $1,594,298 in 1985 and $1,255,570 in 1984.

Assets

As of Feb. 28	1985	1984
Cash	$ 2,105,321	$ 1,504,204
Bldg. funds invested	—	1,937,273
Short-term invest.	351,900	5,632,926
Assts. & notes receiv. net	12,275,834	12,451,316
Unbilled receiv.	112,483	122,400
Recov. inc. taxes	720,280	714,074
*Inventories	12,257,780	6,781,572
Prepaid expenses & other assets	421,123	447,044
Current Assets	$ 28,244,721	$ 29,590,809
#Fixed assets	8,178,254	7,931,137
Other assets	1,715,270	350,713
Defer charges	1,477,321	1,449,938
Intangibles	264,331	493,338
Total Assets	$ 39,879,897	$ 39,815,935

Liabilities

Long-term debt, curr.	$ 102,529	$ 214,330
Short-term loans	—	1,408,822
Accts. payable	4,861,389	3,905,235
Cust. deposits	64,800	856,472
Accruals	2,040,693	2,203,882
Income taxes	77,767	229,150
Employee compen.	1,089,284	933,131

Andersen Group, Inc.

Curr. Liabilities	$ 8,236,462	$ 9,751,022
Long-term debt	13,398,602	13,501,130
Deferred inc. taxes	2,474,207	2,403,316
Minority interest	—	757,164
+Common stock	2,086,621	2,077,921
Add. paid-in capital	426,408	426,392
Retained earnings	13,257,597	11,047,909
Curr. trans. adjust.	—	(148,919)
Total Liabilities & Shareholders' Equity	$ 39,879,897	$ 39,815,935

* At lower of cost (FIFO & average cost methods) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.54	8.58
%Net Income to Sales	4.56	5.95
%Net Income to Equity	14.01	17.10
Sales to Inventories	3.95	5.68
Working Capital	$20,008,259	$19,839,787
Current Ratio	3.43	3.03
Shareholders' Equity	$15,770,626	$13,403,303

Anderson Jacobson, Inc.

521 Charcot Avenue
San Jose, California 95131
(408) 263-8520

Officers: Raymond E. Jacobson, chairman of the board & president; G.W. Schoenwald, v.p.-marketing; Wayne C. Seppeler, v.p.-mgr. data communications division; R.J. Indermill, secretary & treasurer; Kent M. Wilkins, v.p. & controller; James W.A. Jacobson, v.p. & mgr.-product & quality assurance; Jacques Moisset, v.p.-international; Brian Warrington, managing director-Anderson Jacobson Ltd.

Directors: Raymond E. Jacobson, chairman; Richard J. Indermill, Edward J. Maher, M. Stuart Millar, Courtney V. Moe.

Areas of Work: The company is a manufacturer of proprietary computer terminals and data communications equipment which are used to transmit digital data to and from computers over telephone lines. Products include modems, acoustic data couplers, video display terminals, and keyboard printer terminals.

Subsidiaries:

Anderson Jacobson GmbH
Cologne, West Germany

Anderson Jacobson, SA
Paris, France

Anderson Jacobson, Ltd.
London, England

Anderson Jacobson, Canada, Ltd./Ltee.
Toronto, Ontario
Canada

Transfer Agent(s):

Crocker National Bank
Corporate Division
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): American

Ticker Symbol: AJ

Number of Employees:

1984	620	1981	870
1983	879	1980	844
1982	810		

Sales and Earnings

	Revenues	Net Income
1984	$ 51,093,000	$ (3,214,000)
1983	54,234,000	1,900,000
1982	50,261,000	910,000
1981	49,516,000	1,747,000
1980	41,377,000	2,202,000

	No. of Com Shares †	Earn. per Share ×
1984	2,653,790	$ —
1983	2,548,918	0.71
1982	2,512,881	0.35
1981	2,554,137	0.68
1980	2,459,627	0.83

† Adjusted to reflect stock dividends.
× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	3%	—
1983	—	3%	—
1982	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 14,027,000	$ 5.29
1983	17,115,000	6.71
1982	15,366,000	6.11
1981	15,522,000	6.08
1980	13,723,000	5.58

+ Adjusted to reflect stock dividends.

Income Account

Year ended March 31	1984	1983
Net sales	$ 21,632,000	$ 24,108,000
Lease & service	25,697,000	28,739,000
Res. & develop. contract	3,764,000	1,387,000
Revenue	$ 51,093,000	$ 54,234,000
Cost of lease revenue	14,876,000	15,522,000
Cost of sales	15,033,000	11,468,000
Expenses	2,428,000	22,152,000
Interest expense	21,812,000	3,526,000
Interest income	(1,037,000)	(1,024,000)
R.&D. tech. acq.	5,253,000	—
Gain on sale of land	(5,786,000)	—
Income (loss) before taxes	$ (1,486,000)	$ 2,590,000
Income taxes	1,728,000	690,000
Net Income (Loss)	$ (3,214,000)	$ 1,900,000

Assets

As of March 31	1984	1983
Cash	$ 2,612,000	$ 1,887,000
Marketable securities	1,891,000	6,233,000
Accts. receiv., net	5,246,000	6,734,000
*Inventories	6,126,000	11,954,000
Prepaid expenses	250,000	638,000
Current Assets	$ 16,125,000	$ 27,446,000
Investment	8,975,000	9,764,000
#Fixed assets	7,154,000	8,658,000
Funds for plant construction	6,727,000	6,056,000
Other assets	525,000	1,396,000
Deferred inc. taxes	1,432,000	1,386,000
Total Assets	$ 40,938,000	$ 54,706,000

Liabilities

Long-term debt, curr.	$ 3,621,000	$ 15,618,000
Accts. payable	2,808,000	2,806,000
Accruals	1,968,000	2,429,000
Income taxes	553,000	11,000
Deferred contr. revenue	3,649,000	3,250,000
Curr. Liabilities	$ 12,599,000	$ 24,114,000
Long-term debt	8,252,000	8,858,000
Accrued R. & D. oblig.	5,253,000	—
Deferred contr. revenue	—	4,163,000
Deferred comp. plan	807,000	456,000
+Common stock	265,000	255,000
Add. paid-in capital	10,230,000	9,005,000
Retained earnings	5,430,000	9,483,000
Cum. trans. adjust.	(1,898,000)	(1,628,000)
Total Liabilities & Shareholders' Equity	$ 40,938,000	$ 54,706,000

* At lower of standard cost (which approximates actual cost on a FIFO basis) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	4.78
%Net Income to Revenues	—	3.50*
%Net Income to Equity	—	11.10
Working Capital	$ 3,526,000	$ 3,332,000
Current Ratio	1.28	1.14
Shareholders' Equity	$14,027,000	$17,115,000

Andrea Radio Corporation

11-40 45th Road
Long Island City, New York 11101
(212) 729-8500

Officers: Frank A. D. Andrea, Jr., chairman of the board and president; Anthony S. Abbene, executive vice president and treasurer; Camille Andrea, secretary & pres. of Andrea Sales Division; George Feinman, v.p.-engineering & production operations.

Directors: Frank A. D. Andrea, Jr., Anthony S. Abbene, Camille Andrea, Salvatore J. Carruba.

Areas of Work: Engaged in designing, developing, and producing intercommunications and other electronic systems and equipment which are sold to the government and private companies under prime and subcontract.

Transfer Agent(s):

The Chase Manhattan Bank N.A.
1 New York Plaza
New York, New York 10081

Stock Exchange(s): American

Ticker Symbol: AND

Number of Employees:

1984	110	1981	121
1983	97	1980	111
1982	96		

Plant Footage:

1984	57,266 sq. ft.	1981	57,266
1983	57,266	1980	57,266
1982	57,266		

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,754,406	$ 457,145
1983	4,422,114	448,209
1982	4,781,861	437,111
1981	3,961,723	389,645
1980	3,216,745	307,493

	No. of Com. Shares	Earn. per Share #
1984	508,272	$ 0.90
1983	508,272	0.88
1982	508,272	0.86
1981	508,272	0.77
1980	508,272	0.60

# Based on the average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Government	$ 3,231,461	$ 2,910,602
Industrial	1,506,290	1,481,274

	1984	1983
Commercial	16,655	30,238
Total	$ 4,754,406	$ 4,422,114

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.90	—	—
1983	0.90	—	—
1982	0.81	—	—
1981	0.56	—	—
1980	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,582,535	$ 7.05
1983	3,582,835	7.05
1982	3,592,071	7.07
1981	3,566,660	7.02
1980	3,461,647	6.81

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 4,754,406	$ 4,422,114
Other income	246,227	242,310
Total income	$ 5,000,633	$ 4,664,424
Cost of sales	3,587,487	3,278,318
Expenses	516,875	481,456
Income before taxes	$ 896,271	$ 904,650
Income taxes	439,126	456,441
Net Income	$ 457,145	$ 448,209

*Included in Costs and Expenses. Depreciation: $81,576 in 1984 and $65,770 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 117,241	$ 37,717
Money mkt. acct.	163,324	311,699
Cert. of deposit	1,802,133	2,211,732
Accts. receiv., net	580,329	385,608
*Inventories	801,429	407,755
Prepaid expenses	11,991	10,567
Current Assets	$ 3,476,447	$ 3,365,078
#Fixed assets	584,855	558,000
Intangibles	951	951
Total Assets	$ 4,062,253	$ 3,924,029

Liabilities

	1984	1983
Accts. payable	$ 430,881	$ 274,077
Salaries & wages	32,923	37,312
Misc. taxes	1,556	13,950
Inc. taxes	10,270	11,682
Dividends payable	4,088	4,173
Curr. Liabilities	$ 479,718	$ 341,194
+ Common stock	254,136	254,136
Add. paid-in capital	59,206	59,206
Retained earnings	3,269,193	3,269,493
Total Liabilities & Shareholders' Equity	$ 4,062,253	$ 3,924,029

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization
+ $0.50 par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	18.85	20.46
% Net Income to Sales	9.62	10.14
% Net Income to Equity	12.76	12.51
Sales to Inventories	5.93	10.85
Working Capital	$2,996,729	$3,023,884
Current Ratio	7.25	9.86
Shareholders' Equity	$3,582,535	$3,582,835

Anixter Bros., Inc.

4711 Golf Road
One Concourse Plaza
Skokie, Illinois 60076
(312) 677-2600

Officers: Alan B. Anixter, president; William R. Anixter, executive vice president; Bruce Van Wagner, sr. president-Anixter Communications & exec. v.p.-international; James R. Anixter, exec. v.p.-asst. to pres.; John M. Egan, exec. v.p.-operations; James A. Loudon, treasurer; John J. Mariana, v.p.-information services; William S. Race, v.p.-finance; Edward F. Harris, v.p.-research and development; Albert E. Smith, v.p. & controller; Robert J. Wilson, v.p.-sales; Kenneth E. Morton, exec. v.p.-manufacturing; Herbert L. Pruzan, v.p.; John A. Pigott, exec. v.p.-administration; Raymond J. Geraci, v.p.-advertising; Lawrence A. Margolis, gen. council & secretary.

Directors: Alan B. Anixter, William R. Anixter, James R. Anixter, Edward F. Harris, William S. Race, Bruce Van Wagner, Norman B. Schreiber, John A. Pigott, Herbert L. Pruzan, Joseph M. Checkers, Robert J. Wilson, Albert E. Smith.

Areas of Work: The Distribution Group buys, warehouses and sells an assortment of electrical wire and cable and CATV items. The Manufacturing Group primarily manufactures products which use wire and cable as a principal component or which are used in the transmission of telephone communications or electricity; specific products of this group include telephone transmission components, modular central office structures to house electronic switching systems, electrical wiring harnesses and cable assemblies for use on appliances and vehicles, lights and switches primarily for military vehicles, battery booster cables and other power supply cords, microwave antennas for telephone and radio communications and distribution equipment such as switchboards and power panels.

Subsidiaries:

Anixter-Texas Inc.
Pruzan Company of Illinois, Inc.
Anixter U-K Ltd.
Anixter-Export, Inc.
Anixter Financial Corp.
Anixter-Canada, Inc.

Transfer Agent(s):

First National Bank of Chicago
Chicago, Illinois
New York, New York

Stock Exchange(s): New York

Ticker Symbol: ANX

Number of Employees:

1984	2,700	1981	2,600
1983	2,350	1980	2,000
1982	2,550		

Plant Footage:

1984	523,811 sq. ft.	1982	601,395
1983	653,657		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 597,808,000	$ 14,937,000
1983	520,613,000	10,340,000
1982	532,522,000	16,177,000
1981	N.A.	18,518,000
1980	N.A.	15,267,000

	No. of Com. Shares †	Earn. per Share #
1984	18,189,279	$ 0.82
1983	18 187,458	0.72
1982	14,026,345	1.13
1981	14,026,345	1.31
1980	13,729,984	1.12

N.A. - Not Available.
+ Of continuing operations only.
† Adjusted to reflect stock splits.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Distribution	$ 532,530	$ 442,949
Manufacturing	65,278	77,664
Total	$ 597,808	$ 520,613

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.25	—	—
1983	0.21	—	—
1982	0.17	—	—
1981	0.13	—	2-for-1
1980	0.105	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 191,500,000	$ 10.53
1983	183,486,000	10.09
1982	94,505,775	6.74
1981	82,508,022	5.88
1980	64,745,660	4.72

‡ Adjusted to reflect stock splits.

Income Account *

Year ended July 31	1984	1983
Net sales	$ 597,808,000	$ 520,613,000
Cost of sales	472,115,000	411,575,000
Expenses	101,997,000	89,685,000
Oper. profit	$ 23,696,000	$ 19,353,000
Other income	9,207,000	3,916,000
Total	$ 32,903,000	$ 23,269,000
Interest expense	4,959,000	6,402,000
Income before taxes	$ 27,944,000	$ 16,867,000
Income taxes	11,373,000	6,719,000
Inc. - cont. oper.	$ 16,571,000	$ 10,148,000
Inc. (loss)-disc. oper.	(1,634,000)	192,000
Net Income	$ 14,937,000	$ 10,340,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,750,000 in 1984 and $4,763,000 in 1983.

Assets

As of July 31	1984	1983
Cash & temp. investments	$ 53,915,000	$ 83,403,000
Accts. & notes receiv., net	92,005,000	77,501,000
*Inventories	153,397,000	120,539,000
Prepaid expenses	602,000	660,000
Current Assets	$ 299,919,000	$ 282,103,000
Marketable securities	8,651,000	5,237,000
#Fixed assets	25,474,000	24,706,000
Other assets	6,005,000	3,429,000
Intangibles	5,003,000	5,017,000
Unamort. fin. costs	1,221,000	1,307,000
Total Assets	$ 346,273,000	$ 321,799,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 1,406,000	$ 1,398,000
Accts. payable	78,297,000	64,547,000
Accruals	13,199,000	9,415,000
Income taxes	3,401,000	3,036,000
Curr. Liabilities	$ 96,303,000	$ 78,396,000
Long-term debt	56,404,000	57,550,000
Deferred inc. taxes	2,066,000	2,367,000
+ Common stock	18,327,000	18,325,000
Add. paid-in capital	78,318,000	78,295,000

Eq. adjust. from for. curr. trans.	(3,604,000)	(2,196,000)
Loss on marketable securities	(1,356,000)	(363,000)
Retained earnings	99,961,000	89,571,000
Treasury stock	(146,000)	(146,000)
Total Liabilities & Shareholders' Equity	$ 346,273,000	$ 321,799,000

* At lower of average cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Equity	7.80	5.64
Sales to Inventories	3.90	4.32
Working Capital	$203,616,000	$203,707,000
Current Ratio	3.11	3.60
Shareholders' Equity	$191,500,000	$183,486,000

Apex Electronics, Inc.

100 Eighth Street
Passaic, New Jersey 07055
(201) 773-1220

Officers: Michael Dorota, president; Andrew Lech, secretary and treasurer.

Directors: Michael Dorota, Andrew Lech, Hazel Orlin.

Areas of Work: Produces cathode ray tubes and other television parts.

Transfer Agent(s):

New Jersey Bank, N.A.
Paterson, New Jersey

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 1,096,125	$ 4,278
1983	1,219,581	7,532
1982	1,201,893	4,381
1981	1,004,231	1,369
1980	937,102	(2,386)

	No. of Com. Shares ‡	Earn. per Share ‡
1984	252,450	$ —
1983	252,650	—
1982	252,650	—
1981	252,650	—
1980	252,650	—

(Loss)
‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 463,599	$ 1.84
1983	459,521	1.82
1982	451,989	1.79
1981	447,608	1.77
1980	446,239	1.77

‡ Based on the average number of shares outstanding.

Income Account

Year ended Aug. 31	1984	1983
Net sales	$ 1,096,125	$ 1,219,581
Cost of sales	963,359	1,091,043
Expenses	103,054	94,546
Depreciation	25,434	26,459
Net Income	$ 4,278	$ 7,532

Assets

As of Aug. 31	1984	1983
Cash	$ 40,454	$ 49,116
Investment	152,554	147,359
Accts. & notes receiv. net	114,791	176,167
Accrued int. receiv.	4,690	5,196
*Inventories	227,287	237,802
Prepaid expenses & advances	370	427
Current Assets	$ 540,147	$ 616,067
#Fixed assets	58,100	64,685
Other assets	1,900	1,900
Total Assets	$ 600,147	$ 682,652

Liabilities

Notes payable	$ 10,000	$ 50,000
Accts. payable	30,032	91,075
Accrued taxes & expenses	73,515	59,055
Curr. Liabilities	$ 113,547	$ 200,130
Note payable	23,000	23,000
+Common stock	26,100	26,100
Common stock-Apex Elec. Int'l.	2,500	2,500
Add. paid-in capital	306,503	306,503
Retained earnings	143,822	139,544
Treasury stock	(15,325)	(15,125)
Total Liabilities & Shareholders' Equity	$ 600,147	$ 682,652

* At lower of cost (FIFO) or market for raw materials; manufactured finished goods at standard costs which approximate actual costs.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	4.82	5.13
Working Capital	$426,600	$415,937
Current Ratio	4.76	3.08
Shareholders' Equity	$463,599	$459,521

Apple Computer, Inc.

20525 Mariani Avenue
Cupertino, California 95014
(408) 996-1010

Officers: Steven P. Jobs, chairman of the board, exec. v.p. & gen. mgr.-Macintosh Division; John Sculley, president & chief executive officer; Kenneth R. Zerbe, v.p. & gen. mgr.-Americas, Far East, Africa; Jay R. Elliot, v.p.-human resources; Gene P. Carter, v.p.-sales; John C. Cavalier, v.p. & gen. mgr.-personal computer systems; Albert A. Eisenstat, v.p., secretary & general counsel; Joseph A. Graziano, v.p. & chief financial officer; Michael Muller, v.p. & gen. mgr.-accessary products; Roy H. Weaver, v.p. & gen. mgr.-field operations; Delbert W. Yocam, exec. v.p. & gen. mgr.-Apple II Division; Michael Spindler, v.p. & gen. mgr.-Europe; William V. Campbell, exec. v.p.-sales; Charles W. Berger, treasurer.

Directors: Steven P. Jobs, chairman; Peter O. Crisp, A.C. Markkula, Jr., Arthur Rock, Philip S. Schlein, Henry E. Singleton, John Sculley.

Areas of Work: The company designs, develops, produces, markets and services microprocessor-based personal computers and related software and other peripheral products.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: AAPL (NASDAQ)

Number of Employees:

1984	5,382	1982	3,391
1983	4,645	1981	2,456

Plant Footage:

1984	N.A.	1982	1,600,000 sq. ft.
1983	N.A.	1981	670,000

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 1,515,876,000	$ 64,055,000
1983	982,769,000	76,714,000
1982	583,061,000	61,306,000
1981	334,783,000	39,420,000
1980	117,126,000	11,698,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	60,887,000	$ 1.05
1983	59,867,000	1.28
1982	57,798,000	1.06
1981	56,161,000	0.70
1980	48,412,000	0.24

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 464,565,000	$ 7.63
1983	377,901,000	6.31
1982	257,092,000	4.45
1981	177,387,000	3.16
1980	25,948,000	0.54

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	9/28/84	9/30/83
Net sales	$ 1,515,876	$ 982,769
Cost of sales	878,586	505,765
Research & develop.	71,136	60,040
Marketing	392,866	229,961
Gen. & adm.	81,840	57,364
Interest income	(17,737)	(16,483)
Income before taxes	$ 109,185	$ 146,122
Income taxes	45,130	69,408
Net Income	$ 64,055	$ 76,714

* Included in Costs and Expenses, Depreciation and Amortization: $37,963,000 in 1984 and $22,440,000 in 1983.

Assets
(000's)

As of	9/28/84	9/30/83
Cash & temp. cash invest.	$ 114,888	$ 143,284
Accts. receiv., net	258,238	136,420
*Inventories	264,619	142,457
Other curr. assets	49,806	46,832
Current Assets	$ 687,551	$ 468,993
#Fixed assets	75,868	67,050
Other assets	25,367	20,536
Total Assets	$ 788,786	$ 556,579

Liabilities
(000's)

Accts. payable	$ 109,038	$ 52,701
Accrued compen.	20,456	15,770
Income taxes payable	11,268	—
Accrued adv.	50,638	21,551
Other curr. liab.	63,784	38,764
Curr. Liabilities	$ 255,184	$ 128,786
Oblig. under cap. leases	—	1,308
Deferred inc. taxes	69,037	48,584
+Common stock	208,948	183,715
Retained earnings	259,101	195,046

Cum. trans. adj.	(633)	—
Notes receiv from shareholders	(2,851)	(860)
Total Liabilities & Shareholders' Equity	$ 788,786	$ 556,579

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.20	14.87
%Net Income to Sales	4.23	7.81
%Net Income to Equity	13.79	20.30
Sales to Inventories	5.73	6.90
Working Capital	$432,367,000	$340,207,000
Current Ratio	2.69	3.64
Shareholders' Equity	$464,565,000	$377,901,000

Applied Magnetics Corporation

75 Robin Hill Road
Goleta, California 93117
(805) 683-5353

Officers: Harold R. Frank, chairman of the board; Ben J. Newitt, president & chief executive officer; Robert C. Tetherow, exec. v.p.; Thomas W. Russell, v.p.; William R. Anderson, exec. v.p. & chief operating officer; O.M. Fundingsland, v.p.-sales and marketing; Charles B. Huber, v.p. & gen. mgr.-Tape Head Products; Louis W. Rayer, v.p. & gen. mgr.-Winchester Head Products; Michael J. Tourtillotte, v.p. & gen. mgr.-Classical Disk and Floppy Head Products; Gordon P. Sprague, Jr. exec. v.p. & chief financial officer; Raymond P. LeBlanc, secretary & general counsel.

Directors: Harold R. Frank, chairman; Ben J. Newitt, James M. Cunningham, John E. Anderson, Willard G. DeGroot, William E. Terry, Robert C. Tetherow, R.C. Mercure, Jr.

Areas of Work: Designs and manufactures high technology products including magnetic recording heads, and equipment and systems for process control applications.

Subsidiaries:

Magnetic Head Division Corporation
75 Robin Hill Road
Goleta, California 93117
(805) 964-4881
Manufactures magnetic recording heads.

Applied Magnetics Belgium, N.V.
Industriezone
Raadsherenstraat 3
2300 Turnhout, Belgium

Applied Magnetics Japan Ltd.
Hasimoto Building
5-14 Akasak
1-Chome, Minato Ku.
Tokyo, 107 Japan

Applied Magnetics Korea, Ltd.
IPO 2801
Seoul, Korea

Applied Magnetics Caribe, Inc.
Box 848, Pueblo Station
Carolina, Puerto Rico 00630

Applied Magnetics (Singapore) Pte. Ltd.
5004 Ang Mo Kio #05-01/06
Singapore 2056

Applied Magnetics Ireland, Ltd. Inc.
Clonshuugh Industrial Estate
Coolock, Dublin 5, Ireland

Transfer Agent(s):

First Interstate Bank
P.O. Box 3667
Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York

Ticker Symbol: APM

Number of Employees:

1984	4,500	1981	2,746
1983	3,936	1980	2,993
1982	2,800		

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 145,938,000	$ 1,091,000
1983	101,590,556	6,907,132
1982	92,639,306	9,304,705
1981	67,612,820	16,126,167
1980	67,968,763	5,654,419

	No. of Com. Shares †	Earn. per Share ‡ †
1984	6,685,792	$ 0.16
1983	6,254,087	1.10
1982	5,824,290	1.60
1981	5,771,454	2.79
1980	5,732,422	0.99

+ Of continuing operations only.
‡ Including extraordinary gains of $312,000 ($0.04 per share) in 1984.
† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	5%	—
1982	—	5%	—
1981	—	—	—
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 89,021,000	$ 14.13
1983	91,388,030	14.72
1982	57,549,976	11.18
1981	49,805,919	9.57
1980	33,629,051	6.57

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 145,938,000	$ 101,591,000
Cost of sales	114,264,000	70,710,000
Expenses	32,842,000	24,636,000
Interest income	(2,088,000)	(1,968,000)
Interest expense	174,000	298,000
Income before taxes	$ 746,000	$ 7,915,000
Income taxes (credit)	(33,000)	1,205,000
Income from cont. oper.	$ 779,000	$ 6,710,000
Income from discont. oper.	—	197,000
Net Income	$ 779,000	$ 6,907,000
Extraord. gain	312,000	—
Net Income & extraord. gain	$ 1,091,000	$ 6,907,000

*Included in Costs and Expenses, Depreciation and Amortization: $5,166,000 in 1984 and $3,812,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 7,845,000	$ 31,584,000
Accts. receiv., net	26,967,000	22,631,000
*Inventories	27,709,000	20,949,000
Prepaid expenses	5,568,000	2,973,000
Current Assets	$ 68,089,000	$ 78,137,000
#Fixed assets	52,223,000	37,132,000
Other assets	2,920,000	2,761,000
Total Assets	$ 123,232,000	$ 118,030,000

Liabilities

Long-term debt, curr.	$ 1,062,000	$ 921,000
Notes payable	6,500,000	—
Accts. payable	8,935,000	11,104,000
Accrued payroll & other liab.	7,987,000	8,234,000
Income taxes	482,000	899,000
Other liabilities	2,695,000	2,930,000
Curr. Liabilities	$ 27,661,000	$ 24,088,000
Long-term debt	6,550,000	2,554,000
+ Common stock	630,000	621,000
Add. paid-in capital	59,043,000	53,326,000
Retained earnings	30,999,000	38,606,000
Cum. trans. adjust.	(1,651,000)	(1,165,000)
Total Liabilities & Shareholders' Equity	$ 123,232,000	$ 118,030,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.51	—
%Net Income to Sales	0.53	—
%Net Income to Equity	0.88	7.56
Sales to Inventories	5.27	4.85
Working Capital	$40,428,000	$54,049,000
Current Ratio	2.46	3.24
Shareholders' Equity	$89,021,000	$91,388,000

Applied Solar Energy Corporation

(67% owned by Optical Coating Laboratory, Inc.)

15251 E. Don Julian Road
P.O. Box 1212
City of Industry, California 91749
(818) 968-6581

Officers: Milton Stern, chairman of the board; William L. Thompson, president & chief executive officer; Thomas J. Brawley, v.p. & gen. mgr.-Space & Terrestrial; Ku Sun Ling, v.p.-research & development; Barry W. Hall, v.p.-finance, chief financial officer & -treasurer; Raymond L. Waguespack, v.p. & gen. mgr.-Photosensor; Kathleen J. Batistelli, secretary.

Directors: Milton Stern, chairman; Jerry Grey, Eugene B. Konecci, William L. Thompson*, Alan S. Lanka*, Wayne C. Jaeschke*.

* Member of the Executive Committee.

Areas of Work: Designs, manufactures and markets photovoltaic products which convert sunlight into electrical power for use on earth and in space; and photosensors which change light into electronic signals for optical scanners and readers in medical, data processing, telecommunications, and machinery control applications.

Transfer Agent(s):

First Interstate Bank
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SOLR (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income#
1984	$ 16,981,000	$ 2,910,000
1983	13,922,000	2,991,000
1982	9,207,000	229,000
1981	9,220,000	(2,692,000)
1980	9,338,000	(1,593,000)

	No. of Com. Shares	Earn. per Share #
1984	3,389,000	$ 0.86
1983	2,896,000	1.03
1982	2,405,000	0.10

Applied Solar Energy Corporation

1981	2,381,000	—
1980	2,380,000	—

(Loss)
# Including extraordinary gains of $891,000 ($0.26 per share) in 1984 and $1,126,000 ($0.39 per share) in 1983.
+ Includes other revenues.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 22,097,000	$ 6.52
1983	18,859,000	6.51
1982	4,403,000	1.83
1981	4,163,000	1.75
1980	6,862,000	2.87

Income Account *
(000's)

Year ended Oct. 31	1984	1983
Net sales	$ 16,981	$ 13,922
Cost of sales	9,890	7,660
Expenses:		
Res. & prod. develop.	489	141
Sell.,adm. & general	3,764	3,098
Interest expense	123	167
Interest income	(1,024)	(444)
Income before taxes	$ 3,739	$ 3,300
Income taxes	1,720	1,435
Net Income	$ 2,019	$ 1,865
Extraord. gain	891	1,126
Net Income & extraord. gain	$ 2,910	$ 2,991

* Included in Costs and Expenses, Depreciation and Amortization: $925,000 in 1984 and $590,000 in 1983.

Assets
(000's)

As of Oct. 31	1984	1983
Cash & temp. invest.	$ 11,138	$ 9,940
Accts. receiv., net	2,132	2,951
Unreimbursed expend. on contracts	159	115
*Inventories	2,176	1,548
Prepaid expenses	324	263
Current Assets	$ 15,929	$ 14,817
#Fixed assets	9,480	7,700
Other assets	294	120
Total assets	$ 25,703	$ 22,637

Liabilities
(000's)

	1984	1983
Cap. lease oblig., curr.	$ 162	$ 200
Accts. payable & accruals	868	847
Accts. payable to major stockholder	4	7
Accruals	778	685
Allow for losses on contracts	60	—
Income taxes	177	306
Curr. Liabilities	$ 2,049	$ 2,045
Long-term debt	1,217	1,246
Cap. lease oblig.	266	463
Deferred taxes	74	24
+ Common stock	20,816	20,488
Retained earnings (deficit)	1,281	(1,629)
Total Liabilities & Shareholders' Equity	$ 25,703	$ 22,637

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes To Sale	22.02	23.70
%Net Income to Sales	11.89	13.40
%Net Income to Equity	9.14	9.89
Sales to Inventories	7.80	8.99
Working Capital	$13,880,000	$12,772,000
Current Ratio	7.77	7.25
Shareholders' Equity	$22,097,000	$18,859,000

Armatron International, Inc.

(formerly Automatic Radio Manufacturing Co., Inc.)

2 Main Street
Melrose, Massachusetts 02176
(617) 321-2300

Officers: Anthony A. Goodchild, president & chief executive officer; Herbert E. Housman, executive vice president; Sal De Yoreo, Robert M. Snow, v.p.'s; James J. Hickey, v.p.-finance; Stephen J. McCabe, v.p.-operations; Charles J. Housman, treasurer; Elliot J. Englander, clerk.

Directors: David Housman, chairman, emeritus; Edward L. Housman, chairman; Charles J. Housman, Herbert E. Housman, Elliot J. Englander, Anthony A. Goodchild, Craig Spangenberg, William Welsh.

Areas of Work: Manufactures antennas for home and motor vehicle use. Also designs and manufactures electronic insect killing devices for the recreational and commercial markets. Produces logsplitters for consumer use.

Divisions and Subsidiaries:

Consumer Products Group:

Flowtron Division
Galaxie Division
Lawn and garden products.

Automatic Radio Division
Hustler, Inc.
Mobile communications products.

Heat Extractor, Inc.
Thermal systems.

Industrial Products Group:

J.C. Carter
Aircraft fuel pumps and LNG & LPG pumps.

Lee Plastics, Inc.
Triangle Tool & Die Co.
Armatek, Inc.
Custom injection molding, tool and die manufacturing and assembly of integrated circuits.

Transfer Agent(s):

National Westminster Bank, U.S.A.
New York, New York

Stock Exchange(s): American

Ticker Symbol: ART

Number of Employees:

1984	N.A.	1982	600
1983	N.A.		

Plant Footage:

1984	N.A.	1982	350,000 sq. ft.
1983	N.A.		

N.A. - Not Available

Sales and Earnings

	Net Sales ‡	Net Income +
1984	$ 71,312,000	$ 2,555,000
1983	36,306,000	2,389,000
1982	35,829,000	4,211,000
1981	30,834,000	5,389,000
1980	28,484,000	2,413,000

	No. of Com. Shares #	Earn. per Share # +
1984	2,531,851	$ 1.01
1983	2,490,110	0.96
1982	2,473,363	1.70
1981	2,448,784	2.20
1980	2,444,238	0.98

‡ Of continuing operations only.
# Based on weighted average number of shares outstanding.
+ Including extraordinary credits of $1,410,000 ($0.57 per share) in 1982, $2,918,000 ($1.19 per share) in 1981 and $1,157,000 ($0.47 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 24,540,000	$ 9.69
1983	21,659,000	8.70
1982	19,233,000	7.71
1981	14,766,000	6.05
1980	9,406,000	3.84

# Based on the weighted average number of shares outstanding.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 71,312,000	$ 36,306,000
Cost of sales	49,965,000	24,974,000
Expenses	13,838,000	6,919,000
Other income	(132,000)	(484,000)
Interest expense	3,118,000	394,000
Income before taxes	$ 4,523,000	$ 4,503,000
Income taxes	1,968,000	2,114,000
Net Income	$ 2,555,000	$ 2,389,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,682,000 in 1984 and $932,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 369,000	$ 455,000
Accts. receiv., net	10,029,000	4,185,000
Marketable securities	—	7,317,000
*Inventories	22,838,000	8,396,000
Other assets	1,567,000	1,201,000
Current Assets	$ 34,803,000	$ 21,554,000
Notes & mortg. receiv.	370,000	102,000
#Fixed assets	22,919,000	5,124,000
Deferred acq. costs	—	804,000
Total Assets	$ 58,092,000	$ 27,584,000

Liabilities

	1984	1983
Notes payable	$ 1,738,000	$ —
Long-term debt, curr.	274,000	253,000
Accts. payable	5,051,000	1,574,000
Accruals	3,572,000	523,000
Accrued payroll	604,000	293,000
Income taxes payable	—	510,000
Curr. Liabilities	$ 11,239,000	$ 3,153,000
Long-term debt	21,669,000	2,537,000
Def. inc. taxes	644,000	235,000
+ Common stock	2,599,000	2,573,000
Add. paid-in capital	6,782,000	6,562,000
Retained earnings	15,399,000	12,844,000
Treasury stock	(187,000)	(246,000)
Deferred comp.	(53,000)	(74,000)
Total Liabilities & Shareholders' Equity	$ 58,092,000	$ 27,584,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.34	12.40
%Net Income to Sales	3.58	6.58

%Net Income to Equity	10.41	11.03
Sales to Inventories	3.12	4.32
Working Capital	$23,564,000	$18,166,000
Current Ratio	3.10	6.76
Shareholders' Equity	$24,540,000	$21,659,000

Arrow Electronics, Inc.

767 Fifth Avenue
New York, New York 10153

Officers: John C. Waddell, chairman of the board, president & chief executive officer; T. Wayne Anthony, v.p. & president-Schuylkill Metals Corporation; Thomas M. Davidson, exec. v.p.-finance & administration; Robert E. Klatell, v.p., general counsel & secretary; Stephen P. Kaufman, exec. v.p. & president-Electronics Distribution Division.

Directors: Lawrence Coolidge, John C. Waddell, Bertram J. Cohn, Lynn K. Glenn, Robert F. Greenhill, Thomas M. Davidson, Robert P. Jensen, Stephen P. Kaufman.

Areas of Work: Distributors of electronic and electrical equipment and components; a secondary smelter and refiner of lead.

Divisions and Subsidiaries:

Electronics Distribution Division
900 Broad Hollow Road
Farmingdale, New York 11735

Refining Division
P.O. Box 73916
Baton Rouge, Louisiana 70807
Mound City, Missouri

Transfer Agent(s):

Manufacturers Hanover Trust Company
Stock Transfer Department
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: ARW

Sales and Earnings

	Net Sales	Net Income †
1984	$ 740,017,000	$ 12,817,000
1983	566,594,000	5,102,000
1982	423,954,000	(5,226,000)
1981	360,986,000	1,135,000
1980	359,767,000	5,098,000

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	6,417,153	$ 2.00
1983	6,007,971	0.85
1982	4,868,062	—
1981	4,792,982	0.24
1980	N.A.	1.09

(Loss)
N.A.-Not Available.
† Including extraordinary charge of $2,800,000 ($0.59 per share) in 1980.
‡ Based on average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Electronics dist.	$ 668,151	$ 504,274
Electrical dist. & refining	71,866	62,320
Total	$ 740,017	$ 566,594

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.17	—	—
1982	0.16	—	—
1981	0.16	—	—
1980	0.12	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 80,091,000	$ 12.48
1983	65,567,000	10.91
1982	33,505,000	6.88
1981	38,647,000	8.06
1980	37,366,000‡	N.A.

N.A.-Not Available.
‡ After allowing for preferred stock at liquidating value of $100 per share.
# Based on average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 740,017,000	$ 566,594,000
Cost of sales	551,194,000	435,427,000
Expenses	146,318,000	109,022,000
Interest expense	20,071,000	13,840,000
Income before taxes	$ 22,434,000	$ 8,305,000
Inc. taxes	9,617,000	3,203,000
Net Income	$ 12,817,000	$ 5,102,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,926,000 in 1984 and $4,937,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 24,019,000	$ 2,464,000
Accts. receiv., net	113,401,000	102,628,000
*Inventories	149,824,000	126,289,000
Prepaid expenses	9,325,000	7,347,000
Current Assets	$ 296,569,000	$ 238,728,000
#Fixed Assets	35,075,000	27,464,000
Other Assets	8,287,000	6,726,000
Intangibles	4,650,000	3,273,000
Total Assets	$ 344,581,000	$ 276,191,000

Liabilities

Notes payable	$ 1,616,000	$ —
Long-term debt curr.	2,719,000	4,915,000
Accts. payable	36,786,000	50,710,000
Accruals	30,799,000	22,759,000
Income taxes	11,207,000	4,573,000
Curr. Liabilities	$ 83,127,000	$ 82,957,000
Long-term debt	11,262,000	22,632,000
Deferred inc. taxes	3,987,000	2,660,000
Deferred credit	4,614,000	3,170,000
Subord. deben.	161,500,000	99,205,000
+ Common Stock	6,455,000	6,299,000
Add. paid-in capital	42,747,000	39,964,000
Retained earnings	34,441,000	22,892,000
Treasury stock	(120,000)	(76,000)
Deferred comp.	(3,432,000)	(3,512,000)
Total Liabilities & Shareholders' Equity	$ 344,581,000	$ 276,191,000

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.03	1.47
%Net Income to Sales	1.73	0.90
%Net Income to Equity	16.00	7.78
Sales to Inventories	4.94	4.49
Working Capital	$213,442,000	$155,771,000
Current Ratio	3.57	2.88
Shareholders' Equity	$ 80,091,000	$ 65,567,000

Arvin Industries, Inc.

1531 East 13th Street
Columbus, Indiana 47201
(812) 379-3000

Officers: Eugene I. Anderson, chairman of the board; James K. Baker, president & chief exec. officer; Haren B. Thakor, v.p.-finance; W. Frederick Meyer, v.p.-public affairs; V. William Hunt, v.p.-administration; Loren K. Evans, John P. Sohn, Robert H. Braswell, group vice presidents; H. Robert Leland, president-Calspan Corporation; Francis J. Myers, president-Consumer Electronics; Ronald J. Rosin, president-Consumer Housewares; James S. Smith, president-Roll Coater, Inc.; Charles H. Watson, president-Arvinyl; Harry B. Wiggins, pres.-ArvinAir.

Directors: Eugene I. Anderson, chairman; James K. Baker, Robert H. Braswell, Loren K. Evans, Douglas G. Fleming, Richard W. Hanselman, V. William Hunt, Don J. Kacek, Haren B. Thakor, Frederick R. Meyer, Steven C. Beering, John P. Sohn, Richard M. Ringoen.

Areas of Work: Operates in four business segments: Automotive-manufacture of mufflers, exhaust and tail pipes, catalytic converters, corrosion resistant coatings and other metal tubular parts, interior trim parts and exterior trim moldings, vinyl metal truck and bus parts, and restraint systems and tire testing services; Consumer Appliances—manufacture of AM/FM stereo phonographs and tape players, fan-forced fireplace heat exchangers, portable electric heaters, electric fireplaces, wind turbine home attic ventilators and various forms of painted and vinyl-laminated steel for appliance housings; Government and Utilities—aerodynamic, environmental, thermal and flight research, manufacture of airport radar transmission cameras, security systems for power generating plants, and bulkhead panels for U.S. Navy and Coast Guard ships. Commercial and Industrial—coated metal for various uses in products such as commercial refrigeration, water coolers, and freezers.

Divisions and Subsidiaries:

Calspan Corporation
Advanced Technology Center
P.O. Box 400
Buffalo, New York 14225
(716) 632-7500

Engaged in the development and production of instrumentation and color video recording systems, and closed circuit video camera systems; industrial and defense electronic products, and automation equipment.

Arvinyl Division
Columbus, Indiana
Fullerton, California

Supplies industries wih vinyl-to-metal laminates; this prefinished product is fabricated into television and phonograph cabinets, humidifiers, cameras, architectural panels, display cabinets, typewriter components, automotive parts, portable electric heaters, housewares, electronic equipment housings. Heat-sealed padded vinyls and form-padded vinyls used in office machines, appliances and the automotive industry, sandwich materials used in the farm implement industry.

Automotive Division
Columbus, Indiana

Northland Towers East
Suite 502
Southfield, Michigan 48075
(313) 353-6040

East Wiley Street
Greenwood, Indiana 46142
(317) 881-2551

North Hurricane Avenue
Franklin, Indiana 46131
(317) 736-7111

East Madison Avenue
North Vernon, Indiana 47265
(812) 346-5750

U.S. Highway 43 and Mill Street
Fayette, Alabama

P.O. Box 248
Dexter, Missouri 63841

Arvin Automotive of Canada, Ltd.
(formerly General Tubes, Ltd.)
248 Bowes Road
Concord, Ontario, Canada

Arvin Industries, Inc.

(416) 669-1080
Manufactures specialty tubular products for automotive exhaust systems.

Roll Coater, Inc.
U.S. Route 40 East
P.O. Box 186
Greenfield, Indiana 46140
(317) 462-7761

Kingsbury Industrial Park
Kingsbury, Indiana 46345
Produces pre-decorated coils of aluminum and steel.

Consumer Operations:

Housewares
Tupelo, Mississippi
Manufactures portable electric heaters, decorator electric fireplaces, portable electric humidifiers, wind turbine attic ventilators.

Automotive Aftermarket Division
Arvin/Supreme, Inc.
Columbus, Indiana

Highway 278
P.O. Box 667
Princeton, Kentucky 42445
(502) 365-5505
Manufacturer and distributor of exhaust systems to private customers.

Arvin Finance Corporation
1531 E. 13th Street
Columbus, Indiana 47201
(812) 372-7271
Provides real estate financing, ownership and leasing capabilities to Arvin's operations divisions.

Arvin International, Inc.
1531 E. 13th Street
Columbus, Indiana 74201
(812) 372-7271

Arvin (Taiwan) Ltd.
3rd Floor, No. 27
Chung-King South Road
Section 1
P.O. Box 58202
Taipei, Taiwan

Transfer Agent(s):

Harris Trust and Savings Bank
Chicago, Illinois

Stock Exchange(s): New York, Midwest

Ticker Symbol: ARV

Number of Employees:

1984	12,700	1981	8,000
1983	10,000	1980	8,000
1982	8,000		

Plant Footage:

1984	7,205,000 sq. ft.	1981	5,800,000
1983	N.A.	1980	6,000,000
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 781,986,000	$ 30,226,000
1983	600,605,000	18,338,000
1982	513,905,000	10,866,000
1981*	495,136,000	12,424,000
1980	428,849,000	7,588,000

	No. of Com. Shares +	Earn. per Share ‡
1984	11,352,000	$ 0.76
1983	11,343,000	0.75
1982	10,519,000	0.75
1981*	10,280,000	0.75
1980	9,936,000	0.75

* 53 weeks.
+ Adjusted to reflect stock split.
‡ Based on average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Automotive	$ 408,269	$ 338,276
Appliance & hardware	225,983	136,397
Government & utilities	94,512	84,069
Commercial	53,222	41,863
Total	$ 781,986	$ 600,605

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.76	—	3-for-2
1983	0.75	—	—
1982	0.75	—	—
1981	0.75	—	—
1980	0.75	—	—

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1984	$ 202,499,950	$ 17.84
1983	182,136,200	16.06
1982	164,252,925	15.61
1981	159,222,000	15.49
1980	152,025,000	15.30

+ After allowing for preferred stock at liquidation value.
‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Net sales	$ 781,986	$ 600,605
Other income	5,212	5,738
Total Income	$ 787,198	$ 606,343
Cost of sales	663,085	508,265
Expenses	62,624	59,437
Interest expense	7,801	7,960
Income before taxes	$ 53,688	$ 30,681
Income taxes	23,462	12,343
Net Income	$ 30,226	$ 18,338

* Included in Costs and Expenses, Depeciation: $17,068,000 in 1984 and $15,462,000 in 1983.

Assets
(000's)

As of	12/30/84	1/1/84
Cash and temp. investments	$ 21,031	$ 30,098
Accts. receiv., net	87,435	70,817
*Inventories	81,545	66,570
Other current assets	10,337	9,164
Current Assets	$ 200,348	$ 176,649
#Fixed assets	131,865	125,899
Other assets	17,860	20,527
Special tools	4,382	4,980
Total Assets	$ 354,455	$ 328,055

Liabilities
(000's)

Notes payable and long-term debt, curr.	$ 4,716	$ 6,485
Accts. payable	35,294	23,975
Accruals	28,135	23,680
Income taxes	2,667	2,728
Curr. Liabilities	$ 70,812	$ 56,868
Long-term debt	63,773	73,105
Deferred inc. taxes	11,220	9,052
+ Preferred stock	6,368	7,067
+ + Common stock	28,735	18,905
Add. paid-in capital	30,462	38,730
Retained earnings	145,779	124,679
Cumulative translation adjustment	(572)	(351)
Treasury stock	(2,122)	—
Total Liabilities & Shareholders' Equity	$ 354,455	$ 328,055

* At lower of cost (principally LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.87	5.11
%Net Income to Sales	3.87	3.05
%Net Income to Equity	14.49	9.70
Sales to Inventories	9.59	9.02
Working Capital	$129,536,000	$117,311,000
Current Ratio	2.83	2.98
Shareholders' Equity	$208,650,000	$189,030,000

Astrex, Inc.

150 Fifth Avenue
New York, New York 10011
(212) 989-5000

Officers: Mark Schindler, chairman of the board; Morris Kass, president & chief executive officer; Ronald S. Kass, v.p; Herbert H. Blum, treasurer; Frederick I. Levy, secretary.

Directors: Mark Schindler, chairman; Morris Kass, Frederick I. Levy, Herbert H. Blum, Ronald S. Kass, Thomas J. Sandleitner, Harvey Martin.

Areas of Work: Distributor of electronic parts and components in the Delaware Valley, New York and New England areas; operates a chain of catalogue showrooms on the West Coast of Florida.

Divisions and Subsidiaries:

Resco Electronics Division
Pennsauken, New Jersey
(609) 662-4000

Progress Electronics Co., Inc.
Plainview, New York

Progress Electronics International, Inc.
Plainview, New York
(516) 433-1700

T.F. Cushing, Inc.
Springfield, Massachusetts
(413) 788-7341

Connector Company Division
Hamden, Connecticut
(203) 624-0127

ASI Electronics Corporation
Endwell, New York
(607) 754-3823

Link Electronics, Inc.
Plainview, New York
(516) 433-1030

Transfer Agent(s):

Bradford Trust Company
New York, New York

United States Trust Company of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: ASI

Sales and Earnings

	Net Sales +	Net Income
1984	$ 23,578,712	$ (1,040,844)
1983	21,358,731	993,143
1982	27,153,818	326,139
1981	30,014,162	2,416,263
1980	26,195,108	1,484,123

	No. of Com. Shares ‡	Earn per Share ‡
1984	1,600,014	$ —
1983	1,603,764	0.62
1982	1,667,360	0.20
1981	1,570,632	1.54
1980	1,409,288	1.05

(Loss)
+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 8,818,220	$ 5.51
1983	9,859,064	6.15
1982	8,933,4[illegible]1	5.36
1981	16,560,5[illegible]9	10.54
1980	6,965,405	4.94

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended March 31	1984	1983
Net sales	$ 23,578,712	$ 21,358,731
Cost of sales	16,024,128	14,234,418
Expenses	5,237,892	5,084,337
Prov. for doubtful accts.	27,426	22,715
Interest expense	651,678	800,611
Interest income	(82,697)	(252,340)
Gain on debentures	(2,045)	(163,765)
Income before taxes	$ 1,722,330	$ 1,632,755
Income taxes	828,399	845,323
Inc.-cont. oper.	$ 893,931	$ 787,432
Income (loss) - discont. oper.	(1,934,775)	205,711
Net Income (Loss)	$ (1,040,844)	$ 993,143

*Included in Costs and Expenses, Depreciation and Amortization: $178,475 in 1984 and $138,266 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 1,929,370	$ 1,952,632
Accts.& notes receiv., net	3,290,338	3,056,756
Refund inc. taxes	682,636	235,877
*Inventories	10,036,583	8,671,391
Prepaid expenses	208,235	36,327
Due from former subsid.	375,000	528,341
Deferred income taxes	1,493,400	—
Current Assets	$ 18,015,562	$ 14,481,324
#Fixed assets	961,728	754,654
Other assets	413,632	550,576
Due from former subsid.	1,125,000	—
Intangibles	1,019,674	1,019,674
Total Assets	$ 21,535,596	$ 16,806,228

Liabilities

Notes payable	$ 1,000,000	$ 700,000
Long-term debt.curr.	726,941	727,299
Accts. payable	1,760,619	798,274
Accruals	359,899	203,083
Income taxes	—	22,326
Due to former subsid.	3,000,000	—
Curr. Liabilities	$ 6,847,459	$ 2,450,982
Deferred compensation	57,392	—
Long-term debt	5,531,309	4,159,341
Def.income taxes	281,216	336,841
+Common stock	302,390	302,390
Add paid-in capital	9,601,383	9,601,383
Retained earnings	1,798,526	2,839,370
Treasury stock	(2,884,079)	(2,884,079)
Total Liabilities & Shareholders' Equity	$ 21,535,596	$ 16,806,228

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.16⅔ par value.

Statistical Summary

%Net Income to Equity	—	10.07
Sales to Inventories	2.35	2.46
Working Capital	$11,168,103	$12,030,342
Current Ratio	2.63	5.91
Shareholders' Equity	$ 8,818,220	$ 9,859,064

Astro-Med, Inc.

(formerly Atlan-Tol Industries, Inc.)

Astro-Med Industrial Park
600 East Greenwich Avenue
West Warwick, Rhode Island 02893
(401) 822-2430

Officers: Albert W. Ondis, chairman & chief executive officer; Everett V. Pizzuti, president & chief operating officer; Jacques V. Hopkins, secretary; Eugene S. Libby, v.p., treasurer & chief financial officer; David M. Gaskill, v.p.-engineering.

Directors: Albert W. Ondis, Jacques V. Hopkins, Edward M. Watson, Boardman Stewart, Allan M. Gittleman, E. Rogers Novak, Jr.

Areas of Work: Designs, develops, manufactures and sells comprehensive line of high speed analog and digital recording systems.

Transfer Agent(s):

Fleet National Bank
Providence, Rhode Island

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ALOT (NASDAQ)

Number of Employees:

1984	175	1982	210
1983	230		

Plant Footage:

1984	80,000 sq. ft.	1982	115,000
1983	108,000		

Sales and Earnings ‡

	Net Sales †	Net Income
1985	$ 9,905,000	$ 1,027,243
1984	7,980,000	1,762,000
1983	6,695,000	59,000
1982	5,913,000	356,000
1981	4,401,000	287,000

	No. of Com. Shares +	Earn. per Share #
1985	2,036,253	$ 0.57
1984	1,628,028	1.01
1983	1,624,158	0.01
1982	1,624,158	0.21
1981	1,544,158	0.18

‡ Restated to reflect the merger of Astro-Med, Inc. into Atlan-Tol Industries, Inc., with the post-merger company named Astro-Med, Inc.
† Of continuing operations only.
+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 8,115,995 ·	$ 3.99
1984	3,881,316	2.38
1983	2,099,409	1.29
1982	2,081,505	1.28
1981	1,743,102	1.13

‡ Adjusted to reflect stock split.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 9,904,875	$ 7,980,469
Cost of sales	5,249,978	4,472,606
Expenses	2,950,305	1,934,627
Int. expense (income)	(144,548)	68,299
Other income	(41,441)	—
Gain from sale of stock by subsid.	—	(2,014,165)
Inc. bef. taxes	$ 1,890,581	$ 3,519,102
Income taxes	816,000	1,293,000
Minority interest	211,438	129,146
Inc. - cont. oper.	$ 863,143	$ 2,096,956
Inc. (loss) - disc. oper.	164,100	(335,115)
Net Income	$ 1,027,243	$ 1,761,841

* Included in Costs and Expenses, Depreciation and Amortization: $195,468 in 1985 and $156,913 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 332,761	$ 199,924
Short-term invest.	4,010,615	1,444,855
Trade accts. & notes receiv.	2,295,694	2,363,051
*Inventories	1,603,063	2,367,711
Prepaid expenses & other assets	218,760	206,580
Current Assets	$ 8,460,893	$ 6,582,121
#Fixed assets	3,079,671	4,541,478
Other assets	1,476,200	204,363
Total Assets	$ 13,016,764	$ 11,327,962

Liabilities

Long-term debt, curr.	$ 156,835	$ 340,536
Accts. payable	862,505	1,456,173
Accruals	1,805,872	470,690
Curr. Liabilities	$ 2,825,212	$ 2,267,399
Long-term debt	1,445,752	2,809,926
Deferred inc. taxes	274,302	1,092,670
Minority interest	—	927,994
+ Redeem. pref. stock	355,503	348,657
+ + Common stock	101,813	81,401
Add. paid-in capital	3,773,243	531,373
Retained earnings	4,240,939	3,268,542
Total Liabilities & Shareholders' Equity	$ 13,016,764	$ 11,327,962

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $10 par value.
+ + $0.05 par value.

Statistical Summary

%Net Income to Equity	12.66	45.39
Sales to Inventories	0.56	3.37
Working Capital	$5,635,681	$4,314,722
Current Ratio	2.99	2.90
Shareholders' Equity	$8,115,995	$3,881,316

Astrosystems, Inc.

6 Nevada Drive
Lake Success, New York 11042
(516) 328-1600

Officers: Seymour Barth, chairman of the board & president. Elliot J. Bergman, vice president & secretary. Gilbert H. Steinberg, vice president & treasurer

Directors: Seymour Barth, Elliot J. Bergman, Morton L. Certilman, Gilbert H. Steinberg

Areas of Work: Designs and manufactures proprietary electronic and electromechanical products for precision monitoring and control of industrial, military and aerospace processes, and often used in conjunction with computers, programmable controllers and microprocessors. The Company is currently developing a programmable robot for use in light duty industrial applications, and a new process for the fabrication of low cost, high performance solar cells to convert sunlight into electricity.

Subsidiaries:

ASI International, Inc. (DISC)
6 Nevada Drive
Lake Success, New York 11040

Astropower Division
30 Lovett Avenue
Newark, Delaware 19711

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ASTR (NASDAQ)

Number of Employees:

1984	130	1982	110
1983	130	1981	110

Plant Footage:

1984	33,000 sq. ft.	1982	25,000
1983	25,000	1981	25,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 11,495,000	$ 3,258,000
1983	10,371,000	3,211,000
1982	9,207,000	2,554,000
1981	8,060,000	1,901,000
1980	6,732,000	1,272,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	4,976,000	$ 0.61
1983	4,974,000	0.57
1982	4,882,000	0.52
1981	4,304,000	0.44
1980	3,380,000	0.38

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	4-for-1†

† Authorized Nov. 1980

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 23,744,000	$ 4.77
1983	20,482,000	4.12
1982	17,014,000	3.49
1981	14,461,000	3.36
1980	5,764,000	1.71

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 11,495,000	$ 10,371,000
Cost of sales	6,029,000	5,445,000
Expenses	1,671,000	1,488,000
Other income	(2,007,000)	(2,230,000)
Income before taxes	$ 5,802,000	$ 5,668,000
Income taxes	2,544,000	2,457,000
Net Income	$ 3,258,000	$ 3,211,000

* Included in Costs and Expenses, Depreciation and Amortization: $47,000 in 1984 and $51,000 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 205,000	$ 727,000
Marketable securities	18,364,000	16,593,000
Accts. & notes receiv.	7,072,000	3,756,000
*Inventories	1,993,000	1,730,000
Prepaid expenses & other assets	581,000	266,000
Current Assets	$ 28,215,000	$ 23,072,000
Marketable securities	517,000	517,000
#Fixed assets	191,000	131,000
Total Assets	$ 28,923,000	$ 23,720,000

Liabilities

	1984	1983
Accts. payable	$ 352,000	$ 336,000
Accruals	740,000	620,000
Accrued payroll & profit sharing	466,000	399,000
Income taxes	962,000	1,243,000
Curr. Liabilities	$ 2,520,000	$ 2,598,000
Deferred taxes	2,659,000	640,000
+ Common stock	498,000	497,000
Add. paid-in capital	7,171,000	7,168,000
Retained earnings	16,075,000	12,817,000
Total Liabilities & Shareholders' Equity	$ 28,923,000	$ 23,720,000

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	50.47	54.65
% Net Income to Sales	28.34	30.96
% Net Income to Equity	13.72	15.68
Sales to Inventories	5.77	5.99
Working Capital	$25,695,000	$20,474,000
Current Ratio	11.20	8.88
Shareholders' Equity	$23,744,000	$20,482,000

Atlantic Research Corporation

5390 Cherokee Avenue
Alexandria, Virginia 22312
(703) 642-4000

Officers: Coleman Raphael, chairman of the board & chief executive officer; William H. Borten, president & chief operating officer; W. Gerald Hamm, exec. v.p.-operations; Charles B. Henderson, sr. v.p.-research & technology; Keith G. Britton, v.p. & dir.-Teleproducts New Business; George K. Oss, v.p. & gen. mgr.-Teleproducts Division; Christopher W. Robertson, v.p.-finance & treasurer; James R. Sides, v.p. & gen. mgr.-Propulsion Division; Barbara F. Biendl, secretary; Lambert C. Murphy, asst. secretary; Richard L. Swanson, asst. treasurer.

Directors: Coleman Raphael, chairman; William H. Borten, Lawrence A. Goldmuntz, W. Gerald Hamm, Charles B. Henderson, Howard J. Laster, Joseph S. Steinberg

Areas of Work: The Company's electronic activities consist of the development and manufacture of data communications test equipment which are used in the testing, operating and maintenance of data communications networks. Other segments include electromagnetic engineering and propulsion systems for defense applications.

Subsidiaries:

Tri-Seal International
Mamaroneck, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ATRC (NASDAQ)

Number of Employees:

1984	N.A.	1982	1,756
1983	2,112	1981	1,514

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 176,082,000	$ 9,928,000
1983	145,117,000	7,626,000
1982	117,806,000	5,235,000
1981	93,197,000	3,503,000
1980	80,455,000	2,308,000

	No. of Com. Shares #	Earn. per Share #
1984	4,229,188	$ 2.35
1983	4,212,142	1.81
1982	3,720,410	1.41
1981	3,457,803	1.01
1980	3,186,306	0.72

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Solid propellant rocket motors	$ 109,188	$ 85,010
Data communications test equipment	35,809	32,774
Electromagnetic engineering	20,300	18,026
Other	10,785	9,307
Total	$ 176,082	$ 145,117

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	3-for-2
1982	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 52,424,000	$ 12.40
1983	42,037,000	9.98
1982	34,153,000	9.18
1981	17,949,000	5.19
1980	14,446,000	4.53

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 176,082	$ 145,117
Cost of sales	131,238	110,841
Expenses	28,236	21,985
Interest expense	1,096	1,684
Inc. bef. taxes	$ 15,512	$ 10,607
Income taxes	5,584	2,981
Net Income	$ 9,928	$ 7,626

* Included in costs and Expenses, Depreciation and Amortization: $5,745,000 in 1984 and $4,606,000 in 1983.

Assets
(000's)

As at Dec 31		1984		1983
Cash	$	17,803	$	20,194
Trade receiv., net		40,297		32,678
Unbilled receiv		8,968		9,432
*Inventories		13,537		9,963
Other assets		3,697		1,109
Current Assets	$	84,302	$	73,376
#Fixed assets		43,119		34,050
Other assets		1,685		2,579
Total Assets	$	129,106	$	110,005
Liabilities				
Oblig. under cap lease	$	1,030	$	531
Accts. payable		7,664		7,416
Accruals		6,307		5,415
Other payables		4,825		3,330
Income taxes		9,666		6,650
Curr. Liabilites	$	29,492	$	23,342
Long-term debt		38,000		38,000
Oblig. under cap leases		5,212		4,649
Deferred comp.		1,439		1,070
Deferred inc. taxes		2,539		907
+ Common stock		424		422
Add. paid-in capital		19,282		18,825
Retained earnings		32,718		22,790
Total Liabilities & Shareholders' Equity	$	129,106	$	110,005

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	8.81	7.31
%Net Income to Sales	5.64	5.26
%Net Income to Equity	18.94	18.14
Sales to Inventories	13.01	14.57
Working Capital	$54,810,000	$50,034,000
Current Ratio	2.86	3.14
Shareholders' Equity	$52,424,000	$42,037,000

Audiotronics Corporation

7428 Bellaire Avenue
North Hollywood, California 91605
(213) 765-2645

Mailing Address:

Box 3997
North Hollywood, California 91609

Officers: Don E. Warner, chairman of the board & chief executive officer; Charles A. Musson, president & chief exec. officer; Celia S. LaSalle, v.p. & secretary; Allen E. Sawyers, v.p.-product management; James R. Hopkins, sr. v.p.-finance & treasurer; Peter L. Peterson, v.p.-administration; Richard D. Sims, v.p.-industrial relations.

Directors: Don E. Warner*, Celia S. LaSalle*, Charles A. Musson*, Walter Liberato, Robert H. Klugman.

* Member of the Executive Committee.

Areas of Work: Designs, manufactures and markets video displays, monitors, audiovisual products and instructional programs for industry, education and communications.

Subsidiaries:

Audiotronics International, Inc. (DISC)
North Hollywood, California 91605
(213) 765-2645

Audiotronics Taiwan Ltd.
15, Industrial East Four Road
Hsinchu, Taiwan
Republic of China

Transfer Agent(s):
Continental Stock Transfer & Trust Co.
72 Reade Street
New York, N.Y. 10007

Stock Exchange(s): American

Ticker Symbol: ADO

Number of Employees:

1984	286	1981	407
1983	313	1980	409
1982	342		

Plant Footage:

1984	N.A.	1983	106,000 sq. ft.

N.A. - Not Available

Sales and Earnings

		Net Sales		Net Income
1984	$	20,984,000	$	556,000
1983		17,016,000		(328,000)
1982		22,339,000		321,000
1981		23,132,000		563,000
1980		22,943,000		965,000

	No. of Com. Shares #	Earn. per Share #
1984	1,216,104	$0.46
1983	1,212,492	—
1982	1,312,693	0.24
1981	1,158,229	0.49
1980	995,673	0.97

(Loss)
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.05	—	—
1983	0.12	5%	—
1982	0.16	—	—
1981	0.16	—	—
1980	0.16	—	—

Common Stock Equity

		Total Equity	Equity Per Share #
1984	$	7,347,000	$6.04
1983		8,593,000	7.09
1982		9,051,000	6.89
1981		10,058,000	8.68
1980		6,924,000	6.95

# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended June 30		1984		1983
Net sales	$	20,983,772	$	17,015,821
Cost of sales		16,357,313		14,400,334
Selling expenses		1,625,239		1,517,408
Interest expense		78,922		37,976
Gen. & adm. expense		2,007,354		1,721,200
Income (loss) before taxes	$	914,944	$	(661,097)
Income taxes (credit)		359,000		(333,000)
Net Income (Loss)	$	555,944	$	(328,097)

* Included in Costs and Expenses, Depreciation: $287,595 in 1984 and $378,562 in 1983.

Assets

As of June 30		1984		1983
Cash	$	45,080	$	340,714
Accts. receiv., net		3,757,596		2,721,784
Refund inc. taxes		—		349,000
Prepaid inc. taxes		47,433		98,862
*Inventories		7,686,474		6,066,563
Prepaid expenses		149,874		41,603
Current Assets	$	11,686,457	$	9,618,526
#Fixed assets		910,278		1,033,247
Other assets		122,381		89,335
Total Assets	$	12,719,116	$	10,741,108
Liabilities				
Notes payable	$	1,000,000	$	385,000
Income taxes		310,050		—
Accts. payable		2,012,803		1,059,161
Accruals		514,384		704,236
Long-term debt, curr.		150,000		—
Curr. Liabilities	$	3,987,237	$	2,148,397
Long-term debt		1,385,019		—
+ Common stock		1,336,597		1,321,104
Add. paid-in capital		4,265,396		4,166,731
Retained earnings		4,327,174		3,830,648
Treasury stock		(1,047,288)		(725,772)
Employee stock ownership		(1,535,019)		—
Total Liabilities & Shareholders' Equity	$	12,719,116	$	10,741,108

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.36	—
%Net Income to Sales	2.65	—
%Net Income to Equity	7.57	—
Sales to Inventories	2.73	2.80
Working Capital	$7,699,220	$7,470,129
Current Ratio	2.93	4.48
Shareholders' Equity	$7,346,860	$8,592,711

Augat Inc.

89 Forbes Boulevard
P.O. Box 448
Mansfield, Massachusetts 02048
(617) 543-4300

Officers: Roger D. Wellington, chairman of the board & chief executive officer; William P. Miller, president & chief operating officer; Gerald F. Barrett, executive v.p. & chief financial officer; Richard M. Grubb, senior v.p.; Richard Eaton, v.p.-human resources; Frank Angelis, group v.p. - components; John A. Braun, group v.p. - systems; Richard Prybyl, group v.p. - broadband communications; L. Harrison Thayer, II, asst. secretary; & assist. clerk; John E. Lynch, Jr., treasurer; Daniel J. Maher, Jr., corporate controller.

Directors: Robert S. Laurence, Ernest H. Augat, Samuel S. Dennis, III, James A. Harmon, Roger D. Wellington, Vernon R. Alden, Gerald F. Barrett, David V. Ragone, William P. Miller, Richard B. Young.

Areas of Work: Designs and manufactures electromechanical components, and precision materials for the electronic industry. The Company's principle products include integrated circuit sockets and accessories, coaxial cable network and fiber optic interconnection products, subminiature switches, high reliability packages for microcircuits, packaging panels, computer aided design and wiring services, interconnection test probes and systems, and custom connector assemblies for the automotive and telecommunications industry.

Divisions and Subsidiaries:

Interconnection Components Division
Attleboro, North Andover, Canton, & Mashpee, Massachusetts

Interconnection Systems Division
Attleboro, Massachusetts
El Campo & Houston, Texas
Newberry Park, California

Isotronics, Inc.
New Bedford, Massachusetts

Alcoswitch
North Andover, Massachusetts

Reed Devices,Inc.
Carol Stream, Illinois

Broadband Communications Products Group
Edison, New Jersey
Horseheads, Elmira and Vestal, New York
Jupiter, Florida
El Paso, Texas
Pawtucket, Rhode Island

Automatic Test Equipment
North Attleboro, Massachusetts
Hawthorne, California
Smithfield, Rhode Island
Van Nuys, California

Microcircuit Packaging
New Bedford Massachusetts
Saddle Brook, New Jersey
San Antonio, Texas

Precision Components
Bioggio, Lugano, Manno, Switzerland

Augat Ltd.
Milton Keynes, England

Augat A.G.
Zug, Switzerland

Augat A.B.
Munich, Germany

Augat A.B.
Stockholm, Sweden

Augat Srl
Milan, Italy

Augat KK
Tokyo,Japan

Augat Electronics,Inc.
Mississauga, Canada

Acquisition(s):

Altair International, Inc.
Telzon, Inc.

Transfer Agent(s):

Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AUG

Number of Employees:

1984	4,000	1981	3,400
1983	3,800	1980	3,100
1982	3,400		

Plant Footage:

1983	1,064,000 sq. ft.	1981	765,000
1982	833,000	1980	765,000

Sales and Earnings ‡

	Net Revenues	Net Income†
1984	$ 257,110,000	$ 24,119,000
1983	229,732,000	22,237,000
1982	205,466,000	20,834,000
1981	203,338,000	23,361,000
1980	186,378,000	20,986,000

	No. of Com. Shares #	Earn. per Share #†
1984	17,666,000	$ 1.37
1983	17,181,000	1.29
1982	16,533,000	1.26
1981	16,373,000	1.43
1980	16,192,000	1.30

‡ Restated to include operations of Altair International, Inc. and Telzon Inc., acquired on a pooling of interests basis.
† Including extraordinary loss of $3,510,000 ($0.21 per share in 1983).
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.32	—	—
1982	0.32	—	—
1981	0.32	—	3-for-2
1980	0.294	—	—

+ Adjusted to reflect stock split.

Common Stock Equity ‡

	Total Equity	Equity Per Share +
1984	$ 190,229,000	$ 10.77
1983	174,870,000	10.18
1982	128,270,000	7.76
1981	113,086,000	6.91
1980	90,636,000	5.63

‡ Restated.
+ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983 ‡
Net revenues	$ 257,109,691	$ 229,731,686
Cost of sales	167,113,442	142,918,990
Expenses	53,912,008	47,461,034
Interest income	(3,835,159)	(4,621,588)
Interest expense	1,152,687	1,539,090
Income before taxes	$ 38,766,713	$ 42,434,160
Income taxes	14,483,000	16,586,000
Minority interest	165,000	101,000
Net Income	$ 24,118,713	$ 25,747,160
Extraordinary loss	—	(3,510,000)
Net Income & extraordinary loss	$ 24,118,713	$ 22,237,160

* Included in Costs and Expenses, Depreciation and Amortization: $9,311,188 in 1984 and $8,340,316 in 1983.
‡ Restated.

Assets

As of Dec. 31	1984	1983 ‡
Cash & time deposits	$ 16,283,357	$ 13,914,634
Short-term investments	33,888,488	43,207,538
Accts. receiv., net	45,708,340	45,807,991
*inventories	72,925,264	55,378,338
Prepaid expenses	743,492	420,620
Current Assets	$ 169,548,941	$ 158,729,121
#Fixed assets	78,014,410	65,676,017
Other assets	3,590,333	3,602,939
Total Assets	$ 251,153,684	$ 228,008,077

Liabilities

Notes payable	$ 1,059,319	$ 1,073,006
Long-term debt, curr.	840,174	1,033,725
Accts. payable	10,131,705	9,947,054
Accrued payroll and other compensation	8,645,044	8,477,913
Taxes payable	10,188,286	8,124,687
Other accruals	6,575,142	9,574,349
Curr. Liabilities	$ 37,439,670	$ 38,230,734
Long-term debt	15,642,119	8,679,042
Minority interest	748,048	607,048
Deferred inc. taxes	7,095,055	5,621,055
+Common stock	1,768,907	1,763,930
Add. paid-in capital	53,080,810	51,794,129
Retained earnings	144,468,096	125,909,188
Curr. trans. adj.	(9,089,021)	(4,597,049)
Total Liabilities & Shareholders' Equity	$ 251,153,684	$ 228,008,077

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	15.08	18.47
% Net Income to Sales	9.38	11.21
% Net Income to Equity	12.68	14.72
Sales to Inventories	3.53	4.15
Working Capital	$132,109,271	$120,498,387
Current Ratio	4.53	4.15
Shareholders' Equity	$190,228,792	$174,870,198

Auric Corporation

470 Frelinghuysen Avenue
Newark, New Jersey 07114
(201) 242-4110

Officers: Maurice Bick, president; Leo Kosowsky, vice president.

Directors: Maurice Bick, Leo Kosowsky, Theodore Cohn, Theodore Doll, Jr.

Areas of Work: Providing chemical products, gold processes and solutions equipment and materials, all of which are used in the electronics, aerospace, computer metal working and jewelry industries.

Divison:

Fidelity Chemical Products Corporation

Transfer Agent(s):

Midlantic National Bank
Newark, New Jersey

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales +	Net Income
1984	$ 10,975,344	$ 253,482
1983	8,386,893	136,675
1982	9,198,034	126,436
1981	13,694,213	131,571
1980	19,694,590	125,920

	No. of Com. Shares	Earn. per Share ‡
1984	401,700	$ 0.63
1983	401,700	0.34
1982	401,700	0.32
1981	401,700	0.33
1980	401,700	0.31

+ Of continuing operations only.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,074,828	$ 5.17
1983	1,821,346	4.53
1982	1,684,671	4.19
1981	1,558,235	3.88
1980	1,426,664	3.55

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 10,975,344	$ 8,386,893
Cost of sales	9,116,382	7,145,651
Expenses	1,516,884	1,115,209
Interest expense	72,944	26,572
Other income	(70,328)	(33,012)
Income before taxes	$ 339,462	$ 132,473
Income taxes (credit)	85,980	(4,202)
Net Income	$ 253,482	$ 136,675

* Included in Costs and Expenses, Depreciation and Amortization: $125,333 in 1984 and $106,231 in 1983.

Assets

As of Sept. 30	1982	1981
Cash	$ 890,275	$ 347,384
Accts. receiv., net	1,391,632	1,281,009
*Inventories	606,028	424,218
Prepaid exp. & other assets	46,516	54,910
Current Assets	$ 2,934,451	$ 2,107,521
#Fixed assets	852,316	606,601
Value of life insur.	54,077	182,554
Deferred inc. taxes	18,000	19,000
Other assets	11,350	13,200
Total Assets	$ 3,870,194	$ 2,928,876

Liabilities

	1982	1981
Long-term debt, curr.	$ 70,878	$ 31,250
Accts. payable	1,267,075	893,613
Accruals	68,398	43,888
Inc. taxes	53,800	—
Curr. Liabilities	$ 1,460,151	$ 968,751
Long-term debt	226,660	62,500
Deferred comp.	108,555	76,279
+ Common stock	40,170	40,170
Add. paid-in capital	457,335	457,335
Retained earnings	1,577,323	1,323,841
Total Liabilities & Shareholders' Equity	$ 3,870,194	$ 2,928,876

* Gold at LIFO. Chemicals, solvents and supplies are valued using the FIFO method.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.09	1.58
%Net Income to Sales	2.31	1.63
%Net Income to Equity	12.22	7.50
Sales to Inventories	18.11	19.77
Working Capital	$1,474,300	$1,138,770
Current Ratio	2.01	2.18
Shareholders' Equity	$2,074,828	$1,821,346

Auto-trol Technology Corporation

12500 North Washington Street
P.O. Box 33815
Denver, Colorado 80233
(303) 452-4919

Officers: Howard B. Hillman, chairman of the board & president; James T. Hammock, sr. v.p.-marketing; Carnig Izmirian, sr. v.p.-operations & customer service; Paul J. Ierde, v.p.-finance & treasurer; H. William Taylor, general counsel & secretary; Jerry T. Sisson, v.p.-international operations; Robert J. Stevenson, v.p.-planning; James D. Norrod, v.p.-sales; B. Jane Castrodale, manager of corporate services & asst. secretary; Carole L. Goodall, asst. treasurer; J. Bruce Hanley, v.p.-research & development.

Directors: Howard B. Hillman, chairman; James B. Farnholt, William R. Hambrecht, J. Roderick Heller, III.

Areas of Work: Develops, manufactures, markets and services computer aided design/computer aided manufacturing (CAD/CAM) systems.

Subsidiaries:

Auto-trol Technology S.A.
31, Rue Delizy
93500 Pantin, France

Auto-trol Technology GmbH
Wanheimerstr. 39
D-4000 Dusseldorf 30
West Germany

Auto-trol SRL
Corso Svizzera 185
10147 Torino
Italy

Auto-trol Australia
Suite 1603, Northpoint
100 Miller Street
North Sydney, NSW 2060
Australia

Auto-trol Ltd.
Neville House
42/46 Hagley Road
Edgbaston
Birmingham B16 8PZ England

Selenia-Autotrol S.p.A.
Torre Nuova Carignano
Via Ravasco, 10
16128 Genova, Italy

Auto-trol Scandinavia AB
Stortorget 25
S-21134 Malmo, Sweden

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ATTC (NASDAQ)

Number of Employees:

1984	666	1982	564
1983	579	1981	539

Plant Footage:

1984	189,000 sq. ft.	1982	125,000
1983	125,000	1981	102,000

Sales and Earnings

	Revenues	Net Income †
1984	$ 68,927,000	$ 2,752,000
1983	54,129,000	(3,276,000)
1982	43,990,000	(7,568,000)
1981	46,287,000	(3,272,000)
1980	50,762,000	3,787,000

	No. of Com. Shares #	Earn. per Share #†
1984	4,731,000	$ 0.58
1983	3,910,000	—
1982	3,600,000	—
1981	3,157,000	—
1980	2,983,000	1.27

(Loss)
† Including extraordinary gain of $1,300,000 ($0.27 per share) in 1984.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 34,602,000	$ 7.31
1983	30,127,000	7.71
1982	21,667,000	6.02
1981	23,427,000	7.42
1980	26,832,000	8.99

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Revenuess	$ 68,927,000	$ 54,129,000
Cost of sales & services	35,992,000	30,402,000
Expenses	29,089,000	24,810,000
Interest expense	1,228,000	2,321,000
Interest income	(134,000)	(128,000)
Inc. (loss) bef. taxes	$ 2,752,000	$ (3,276,000)
Income taxes	1,300,000	—
Net Income (Loss)	$ 1,452,000	$ (3,276,000)
Extraord. gain	1,300,000	—
Net Income (Loss) & extraord. gain	$ 2,752,000	$ (3,276,000)

* Included in Costs and Expenses, Depreciation and Amortization: $2,594,000 in 1984 and $2,294,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 781,000	$ 207,000
Receiv., net	17,416,000	16,752,000
*Inventories	15,879,000	9,113,000
Prepaid expenses & serv. parts	1,541,000	1,416,000
Current Assets	$ 35,617,000	$ 27,488,000
#Fixed assets	13,807,000	13,551,000
Investment	5,816,000	1,853,000
Service parts	4,764,000	4,295,000
Other assets	1,086,000	1,193,000
Total Assets	$ 61,090,000	$ 48,380,000

Liabilities

	1984	1983
Notes payable	$ 6,100,000	$ —
Long-term debt, curr.	852,000	1,497,000
Accts. payable	3,534,000	2,342,000
Accrued compen. & rel. taxes	1,227,000	1,053,000
Oblig. for res. & develop.	3,753,000	2,964,000
Other liab.	4,984,000	4,300,000
Curr. Liabilities	$ 20,450,000	$ 12,156,000
Long-term debt	5,257,000	5,114,000
Long-term liabilities	—	202,000
Redeem. Pref. & Class B Common stock	781,000	781,000
+ Common stock	37,070,000	36,695,000
Add. paid-in capital	269,000	269,000
Cum. curr. trans. adjust.	(148,000)	(1,496,000)
Retained earnings (deficit)	(2,589,000)	(5,341,000)
Total Liabilities & Shareholders' Equity	$ 61,090,000	$ 48,380,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.99	—
%Net Income to Sales	2.11	—
%Net Income to Equity	4.20	—
Working Capital	$15,167,000	$15,332,000
Current Ratio	1.74	2.26
Shareholders' Equity	$34,602,000	$30,127,000

Avnet, Inc.

767 Fifth Avenue
New York, New York 10153
(212) 644-1050

Officers: Anthony R. Hamilton, chairman of the board & chief executive officer; Leon Machiz, president; Sylvester Herlihy, William Cacciatore, Joseph Brown, sr. v.p.'s; Harris E. Fischer, sr. v.p. & secretary; Alvin A. Odintz, David Shaw, Irwin Lubalin, Richard Deutsch, Stanley Benerofe, Edward Stimer, Leo Brown, Jordan Berman, Edward Kaniger, Daniel M. Robbin, Donald Sweet, George Kokkinakis, John Lane, Morton Vogel, v.p.'s; Walter Hyjek, v.p. & controller; William Rose, v.p. & general counsel; John H. Regazzi, v.p.'s & treasurer; Louis Berger, Marion Winston, asst. secretaries.

Directors: Anthony R. Hamilton, chairman of the board; Harris E. Fischer, Albert A. List*, Louis Berger, Joseph Brown, Sylvester D. Herlihy, George Weissman*, Harry Resnick, Alvin E. Friedman*, Jordan S. Berman, John W. Kenney, J. Sidney Webb, Salvatore J. Nuzzo, William Cacciatore, Leon Machiz.

* Member of Executive Committee.

Avnet, Inc.

Operating Groups:

Electronic Marketing Group
Culver City, California
Hauppauge, New York
Minneapolis, Minnesota
Salem, Massachusetts

Industrial distributor and assembler of components for the electronic industry and communications, automotive, military and research and development markets. Products lines include semiconductors, transistors, diodes, integrated and hybrid circuits, micro processors, PROM's , capacitors, resistors, relays, digital displays, potentiometers and other devices. Also custom processing and testing of semiconductor chips, manufacturing of hybrid microelectronic circuits and thin film resistor networks, as well as distributing, servicing and leasing computer terminals to end users.

Hamilton/Avnet Electronics
Time Electronics/Electro Air
Loonam Computer Products
Sertech Inc.
Hamilton Micro Systems
FMI
Hybritek
InterCircuits
LSI Testing

Electrical and Engineering Group

Brownell Electro/Ward
New York, New York
Denver, Colorado
Electric motors and replacement parts.

Fisher/Brownell
Santa Clara, California
Switches, relays and timers.

Freeman Products
Trophy parts.

Lincoln Controls
Hydraulic and pneumatic controls.

Automotive Group

Avnet Machinery
Diecasting machinery.

Mechanics Choice
Philadelphia, Pennsylvania
Distributor of electro-automotive parts and shop supplies to car dealers, service stations and industrial accounts, and fleet owners.

Valley Forge Automotive of Canada
Toronto, Ontario, Canada
Produces and distributes electro-automotive parts in the Canadian aftermarket.

Kamin Diecasting
Zinc and aluminum die castings.

Video Communications Group

Channel Master
Ellenville, New York
White Mills, Pennsylvania
TV antenna manufacturer, supplier of replacement color television tubes and antennas.

Guild Musical Instruments
Westerly, Rhode Island
Elizabeth, New Jersey
Manufactures and distributes guitars and accessories.

Meisel Music Co.
Union, New Jersey
Imports and distributes string instruments and accessories.

Irving W. Rice & Co., Inc.
New York, New York
Markets a line of imported toiletry containers, night lights and illuminated mirrors.

Avnet International (Taiwan)
Kalhsiung, Taiwan
OEN receivers, cassette decks, and 8-track mechanisms.

Channel Master Satellite Systems, Inc.
Oxford, North Carolina
Microwave components for CATV, MATV and satellite television.

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: AVT

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 1,635,500	$ 86,808
1983	1,164,700	50,364
1982	1,112,000	70,470
1981	1,073,000	68,005
1980	1,034,900	71,702

	No. of Com. Shares ‡‡	Earn. per Share ‡‡
1984	36,810,000	$ 2.44
1983	35,204,000	1.43
1982	34,955,000	2.20
1981	34,838,000	1.95
1980	34,858,000	2.08

+ Of continuing operations only.
‡‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Revenues By Line of Business
(000's)

	1984	1983
Electronic marketing group	$ 1,252,900	$ 849,600
Electrical & engineering	184,000	153,600
Automotive group	52,900	47,900
Video communications	145,700	113,600
Total	$ 1,635,500	$ 1,164,700

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.50	—	2-for-1
1982	0.50	—	—
1981	0.45	10%	—
1980	0.39	—	—

+ Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1984	$ 603,273,000	$ 17.13
1983	528,279,000	15.03
1982	482,411,000	13.93
1981	N.A.	12.39
1980	369,981,331	10.80

N.A. - Not Available
‡ After allowing for preferred stock at total liquidation preference value.
# Adjusted to reflect stock dividend and stock split.

Income Account *

Year ended June 30	1984	1983
Net sales	$1,635,540,000	$1,164,698,000
Other income	15,423,000	15,509,000
Total income	$1,650,963,000	$1,180,207,000
Cost of sales	1,190,783,000	852,063,000
Expenses	285,536,000	231,280,000
Interest expense	9,025,000	4,690,000
Income before taxes	$ 165,619,000	$ 92,174,000
Income taxes	78,811,000	41,810,000
Net Income	$ 86,808,000	$ 50,364,000

* Included in Costs and Expenses, Depreciation and Amortization: $14,699,000 in 1984 and $10,303,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 4,290,000	$ 4,940,000
Market. securities	87,754,000	100,957,000
Receiv., net	285,366,000	223,120,000
*Inventories	410,662,000	281,378,000
Other curr. assets	10,076,000	9,298,000
Current Assets	$ 798,148,000	$ 619,693,000
#Fixed assets	73,066,000	51,185,000
Intangibles & other assets	39,557,000	38,931,000
Total Assets	$ 910,771,000	$ 709,809,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 3,180,000	$ 3,187,000
Accts. payable	108,244,000	89,974,000
Accruals	50,148,000	43,754,000
Income taxes	24,364,000	18,225,000
Commercial paper	3,116,000	4,280,000
Dividend payable	4,404,000	4,341,000
Curr. Liabilities	$ 193,456,000	$ 163,761,000
Long-term debt	113,912,000	16,894,000
Preferred stock	7,000	69,000
+ Common stock	35,302,000	34,739,000
Add. paid-in capital	117,321,000	110,335,000
Retained earnings	453,851,000	384,639,000
Treasury stock	(1,272,000)	—
Cum. trans. adjust.	(1,806,000)	(628,000)
Total Liabilities & Shareholders' Equity	$ 910,771,000	$ 709,809,000

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sale	10.13	—
%Net Income to Sale	5.31	—
%Net Income to Equity	14.39	9.52
Sales to Inventories	3.98	4.14
Working Capital	$604,692,000	$455,932,000
Current Ratio	4.13	3.78
Shareholders' Equity	$603,403,000	$529,154,000

AVX Corporation

60 Cutter Mill Road
Great Neck, New York 11021
(516) 829-8500

Officers: Marshall D. Butler, chairman of the board; Donald K. Thostenson, president; Benedict P. Rosen, exec. v.p.; Robert B. Welsh, v.p.-finance; James P. Dixon, John Makhjani, Elliott Philofsky, Edward F. Renola, Kim Ritchie, vice presidents; John S. Johnson, controller; Joan Prager, secretary; Joseph R. Sicree, treasurer.

Directors: Marshall D. Butler, chairman; Herbert E. Grier, Ted H. McCourtney, D.K. Patton, Clare Rawson, W. Myron Owen, A. Robert Towbin, Seymour Leslie, Donald K. Thostenson.

Divisions:

Radial Products Division
Myrtle Beach, SC

Axial & Special Products Division
Conway, SC; Olean, NY

Integrated Capacitor Division
Colorado Springs, Colorado

AVX Limited
Aldershot, England; Coleraine, Northern Ireland

AVX KK
Tokyo & Fujiyoshida, Japan

AVX Israel
Jerusalem

Transfer Agent(s):

National Westminster Bank, U.S.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: AVX

Number of Employees:

1984	5,785	1981	4,630
1983	5,400	1980	4,191
1982	3,800		

Plant Footage:

1984	779,000 sq. ft.	1981	526,000
1983	750,000	1980	487,000
1982	548,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 230,907,000	$ 15,528,000
1983	160,854,000	8,670,000
1982	120,309,000	3,668,000
1981	122,667,000	(2,833,000)
1980	119,113,000	8,016,000

	No. of Com. Shares ×	Earn. per Share ×
1984	9,395,190	$ 1.65
1983	8,847,897	0.98
1982	7,206,405	0.51
1981	7,073,213	—
1980	6,839,646	1.17

(Loss)
+ Of continuing operations only.
× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.27	—	3-for-2
1982	0.16	—	—
1981	0.21	—	—
1980	0.21	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 115,207,000	$ 12.24
1983	98,184,000	11.05
1982	66,758,000	9.38
1981	63,945,000	9.01
1980	67,601,000	9.65

† Adjusted to reflect stock split.

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 230,907,000	$ 160,854,000
Cost of sales	163,903,000	117,803,000
Expenses	33,873,000	23,268,000
Interest income	(2,109,000)	(3,810,000)
Interest expense	7,367,000	6,980,000
Other expense	1,114,000	1,119,000
Inc. bef. taxes	$ 26,759,000	$ 15,494,000
Inc. taxes	11,231,000	6,824,000
Net Income	$ 15,528,000	$ 8,670,000

Assets

As of Dec. 31	1984	1983
Cash	$ 17,329,000	$ 10,698,000
Marketable securities	187,000	13,856,000
Accts. & notes receiv., net	37,075,000	32,409,000
*Inventories	61,336,000	53,982,000
Prepaid inc. taxes	3,300,000	1,120,000
Other assets	1,196,000	647,000
Current Assets	$ 120,423,000	$ 112,712,000
#Fixed assets	114,824,000	75,339,000
Assets of discont. oper.	6,235,000	—
Other assets	1,988,000	3,053,000
Total Assets	$ 243,470,000	$ 191,104,000

Liabilities

Notes payable	$ 15,750,000	$ —
Long-term debt, curr.	2,927,000	1,903,000
Accts. payable	14,579,000	8,326,000
Accruals	13,866,000	10,342,000
Income taxes payable	1,838,000	619,000
Curr. Liabilities	$ 48,960,000	$ 21,190,000
Long-term debt	69,225,000	61,778,000
Deferred inc. taxes	9,316,000	9,181,000
Other liabilities	762,000	771,000
+Common stock	9,416,000	8,885,000
Add. paid-in capital	73,312,000	64,473,000
Retained earnings	41,865,000	29,250,000
Cum. curr. adjust.	(9,386,000)	(4,424,000)
Total Liabilities & Shareholders' Equity	$ 243,470,000	$ 191,104,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.59	9.63
%Net Income to Sales	6.72	5.39
%Net Income to Equity	13.48	8.83
Sales to Inventories	3.76	2.98
Working Capital	$ 71,463,000	$91,522,000
Current Ratio	2.46	5.32
Shareholders' Equity	$115,207,000	$98,184,000

Aydin Corporation

700 Dresher Road
P.O. Box 349
Horsham, Pennsylvania 19048
(215) 657-7510

Officers: Ayhan Hakimoglu, president; Palle Christensen, Wilbur L. Creech, sr. v.p.; Louis Goetz, James A. Lohr, Eckhard Schulz, James Whiteside, Robert M. Moyes, Augustus P. Schneidau, I. Gary Bard, Andrew Pungratz, B. Jack Miller, John Vanderslice, vice presidents; Jay L. Landis, treasurer; Jerry Misterman, controller & asst. treasurer; Robert Aq Clancy, secretary; Zeynep B. Hakimoglu, Geraldine A. Hennessey Hakimoglu, asst. secretaries.

Directors: Ayhan Hakimoglu, chairman; Frederick G. Allen, Nev A. Gokcen, Wilbur L. Creech, Harry D. Train, II.

Areas of Work: Designs, manufactures and sells sophisticated microwave and data communications products. Products include microwave line-of-sight radios, troposcatter communication terminals, satellite earth station equipment, digital color and graphic display terminals, ground-based and vehicle-mounted data communication equipment, modems and multiplexers, communications systems and fusion electronics.

Divisions and Subsidiaries:

AYDIN Microwave Division
75 East Trimble Road
San Jose, California 95131
(408) 946-5600
Microwave and digital telecom equipment.

AYDIN Controls U.K.
64 Wilbury Way
Hitchin, Hertfordshire SG4 OTP
England
Display terminals and systems.

AYDIN Monitor Systems Division
502 Office Center Drive
Fort Washington, Pennsylvania 19034
(215) 646-8100
Ground data receive, telecom multiplexers and special systems.

AYDIN Systems Division
AYDIN Radar and EW Division
30 Great Oaks Boulevard
San Jose, California 95119
(408) 629-0100

AYDIN Vector Division
P.O. Box 328
Friends Lane
Newtown, Pennsylvania 18940
(215) 968-4271
Airborne data communications.

AYDIN Raytor Division
Commerce Drive
Montgomeryville Industrial Center
Montgomeryville, Pennsylvania 18936
(215) 855-1121
Electronics cabinets and sheet metal.

AYDIN Molded Devices Division
2170 Colorado Avenue
Santa Monica, California 90404
(213) 829-5327
Vinyl components.

Aydin Electro Fab
960 River Road
Croydon, Pennsylvania 19020
(215) 788-0401
Printed circuit boards.

AYDIN International U.K.
64 Wilbur Way
Hutchin, Hertfordshire SG 4 OTP
England
Data communications equipment.

AYDIN Computer Systems Division
700 Dresher Road
Horsham, Pennsylvania 19044
(215) 657-8600
Computer systems.

AYDIN Controls Division
414 Commerce Drive
Fort Washington, Pennsylvania 19034
(215) 542-7800
Color display terminals and color monitors.

Transfer Agent(s):

Mellon Bank (East) N.A.
One Mellon Plaza
Philadelphia, Pennsylvania 19101

Stock Exchange(s): New York

Ticker Symbol: AYD

Number of Employees:

1984	N.A.	1981	1,600
1983	2,000	1980	1,600
1982	2,000		

Plant Footage:

1984	N.A.	1981	550,000
1983	650,000 sq. ft.	1980	350,000
1982	605,000		

N.A. Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 137,500,000	$ 8,965,000
1983	152,911,000	15,778,000
1982	124,308,000	10,284,000
1981	100,424,000	6,321,000
1980	102,908,000	7,319,000

	No. of Com. Shares	Earn. per Share +
1984	4,477,583	$ 1.95
1983	4,693,525	3.31
1982	4,663,171	2.19
1981	3,456,498	1.35
1980	3,440,256	1.58

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Aydin Corporation

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Telecommunications	$ 84,700	62%	$ 98,000	64%
Display terminals	38,800	28	39,200	26
Misc. elec.	14,000	10	15,700	10
Total	$137,500	100%	$152,900	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	4-for-3
1981	—	—	—
1980	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 65,011,000	$ 14.52
1983	62,224,000	13.26
1982	45,675,000	9.79
1981	34,483,000	7.48
1980	27,768,000	6.05

+ Adjusted to reflect stock splits.

Income Account *

Year Ended Dec. 31	1984	1983
Net sales	$ 137,500,000	$ 152,911,000
Cost of sales	90,811,000	101,158,000
Expenses	33,832,000	30,494,000
Interest income	(1,843,000)	(1,985,000)
Gain on sale of lease rights	—	(2,337,000)
Income before taxes	$ 14,700,000	$ 25,581,000
Income taxes	5,735,000	9,803,000
Net Income	$ 8,965,000	$ 15,778,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,994,000 in 1984 and $2,616,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 17,328,000	$ 38,078,000
Receiv., net	25,428,000	28,040,000
Unbilled rev.	32,868,000	26,689,000
*Inventories	22,439,000	21,359,000
Prepaid expenses	994,000	704,000
Current Assets	$ 99,057,000	$ 114,870,000
#Fixed assets	31,121,000	22,618,000
Other assets	2,571,000	2,379,000
Total Assets	$ 132,749,000	$ 139,867,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 336,000	$ 333,000
Accts. payable	7,251,000	8,872,000
Accruals	9,879,000	12,466,000
Contract billings in recog. rev.	9,688,000	19,631,000
Income taxes	9,128,000	8,765,000
Curr. Liabilities	$ 36,282,000	$ 50,067,000
Long-term debt	5,755,000	5,629,000
Deferred credits	25,701,000	21,947,000
+ Common stock	4,746,000	4,712,000
Add. paid-in capital	7,314,000	6,490,000
Retained earnings	60,101,000	51,136,000
Treasury stock	(7,150,000)	(114,000)
Total Liabilities & Shareholders' Equity	$ 132,749,000	$ 139,867,000

* At lower of cost (FIFO, average or specific job cost) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.69	16.73
%Net Income to Sales	6.52	10.32
%Net Income to Equity	13.79	25.36
Sales to Inventories	6.13	7.16
Working Capital	$62,775,000	$64,803,000
Current Ratio	2.73	2.29
Shareholders' Equity	$65,011,000	$62,224,000

Badger Meter, Inc.

4545 W. Brown Deer Road
P.O. Box 23099
Milwaukee, Wisconsin 53223
(414) 355-0400

Officers: James O. Wright, chairman of the board; James L. Forbes, president; R. Robert Howard, v.p.-finance, treasurer & secretary; John J. Janik, v.p.-operations; William C. Howland, v.p.-int'l.; William E. Bidgood, v.p.-utility products; William J. Shinners, controller & asst. treasurer; W.H. Vander Heyden, v.p.-industrial products; Rebecca L. Rush, asst. treasurer; Lynne R. Rippey, asst. secretary; Christopher N. Wright, asst. secretary.

Directors: James O. Wright, Robert M. Hoffer, James L. Forbes, Warren B. Riley, Everett G. Smith, Edwin P. Wiley, Donald J. Schuenke, James O. Wright, Jr., Robert K. Thomas.

Areas of Work: Engaged in the production and sale of water meters for homes, industry and business establishments; large flow meters used in wastewater disposal systems, irrigation projects and water purification plants as well as meters and valves for the chemical food processing and power industries.

Divisions and Subsidiaries:

Utility Products Division

Industrial Products Division
Milwaukee, Wisconsin

Badger Meter de Mexico, S.A. de C.V.
Nogales, Sonora, Mexico

Badger Meter Europe, GmbH
Stuttgart, Germany

Medidores Azteca, S.A.
Mexico City, Mexico

Transfer Agent(s):

M&I Marshall & Ilsley Bank
Milwaukee, Wisconsin

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: BMI

Number of Employees:

1984	1,051	1981	1,185
1983	960	1980	1,312
1982	1,086		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 57,613,000	$ 1,534,000
1983	47,647,000	(1,047,000)
1982	49,063,000	(1,473,000)
1981	55,784,000	1,137,000
1980	48,880,000	1,012,000

	No. of Com. Shares	Earn. per Share
1984	1,455,444	$ 1.06
1983	1,423,444	—
1982	1,423,444	—
1981	1,423,444	0.80
1980	1,413,444	0.72

(Loss)
+ Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.30	—	—
1982	0.30	—	—
1981	0.60	—	—
1980	0.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 19,163,678	$ 13.17
1983	18,682,180	13.12
1982	20,155,544	14.16
1981	22,055,952	15.49
1980	21,943,026	15.52

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 57,613,386	$ 47,647,444
Cost of sales	40,289,325	33,755,195
Expenses	14,155,909	12,676,922
Interest expense	1,096,669	1,320,985
Foreign currency	43,585	57,294
Gain on sale	(442,000)	—
Other charges	69,422	9,902
Inc. (loss) bef. taxes	$ 2,400,476	$ (172,854)
Income tax (credit)	866,000	(90,000)
Income (loss) - cont. oper.	$ 1,534,476	$ (82,854)
Loss-discont. oper.	—	(963,477)
Net Income (Loss)	$ 1,534,476	$ (1,046,331)

* Included in Costs and Expenses, Depreciation: $1,973,461 in 1984 and $1,934,947 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 673,333	$ 775,326
Receiv., net	7,649,846	6,860,210
Refund. inc. taxes	—	500,000
*Inventories	12,088,557	12,771,614
Prepaid expenses	443,081	512,731
Current Assets	$ 20,854,817	$ 21,419,881
#Fixed assets	11,824,738	12,140,049
Unexpended cap. escrow funds	279,397	95,299
Defer. charges & other assets	943,198	803,165
Intangibles	175,214	192,470
Total Assets	$ 34,077,364	$ 34,650,864

Liabilities

	1984	1983
Notes payable	$ —	$ 361,950
Long-term debt, curr.	837,351	1,118,941
Accts. payable	2,940,797	2,113,230
Accrued pension	357,538	233,567
Accrued payroll	2,317,159	1,789,379
Income taxes	617,835	44,682
Other taxes	379,748	323,925
Curr. Liabilities	$ 7,450,428	$ 5,985,674
Long-term debt	5,840,964	8,597,591
Deferred inc. taxes	1,125,000	1,017,000
Accrued pension	497,294	368,419
+ Common stock	1,455,444	1,423,444
Add. paid-in capital	1,848,584	1,601,584
Retained earnings	16,866,264	15,910,766
Employee benefit stock	(753,000)	—
Foreign currency translation adjust.	(253,614)	(253,614)
Total Liabilities & Shareholders' Equity	$ 34,077,364	$ 34,650,864

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.17	—
%Net Income to Sales	2.66	—
%Net Income to Equity	8.01	—
Sales to Inventories	4.77	3.73
Working Capital	$13,404,389	$15,434,207
Current Ratio	2.80	3.58
Shareholders' Equity	$19,163,678	$18,682,180

Baird Corporation

125 Middlesex Turnpike
Bedford, Massachusetts 01730
(617) 276-6000

Officers: John M. Dempsey, Jr., chairman, president & chief executive officer; Jack M. Medzorian, v.p. & treasurer; I. D'Arcy Brent II, v.p.-spectrochemical products; George J. Lilley, v.p.-operations; Arthur S. Turner, v.p.-nuclear products; Donald R. Walker, v.p.-govt. systems; David F. Walsh, director-communications; Francis P. Tarantino, controller & asst. clerk; Robert A. Trevisani, clerk; Frank L. Dellazoppa, director-quality assurance; John A. Fitzmaurice, v.p.-corp. development.

Directors: Timothy X. Cronin, John M. Dempsey, Jr., William M. Mullahy, Jack M. Medzorian, Thomas J. Troup, Richard S. Vokey, Edward J. King

Areas of Work: Manufactures instruments for spectrochemical analysis, nuclear equipment for medical diagnostics and laboratory use, periscopes, and night vision devices, and conducts research and development projects for the U.S. Government.

Divisions:

Baird Europe B.V.
Zoeterwoude, The Netherlands

Baird-Atomic, Ltd.
East Street
Braintree, Essex, England

Baird France
Besancon, France

Baird Deutschland
Ratingen, West Germany

Labtest Equipment Company, Inc.
Los Angeles, California

Labtest Equipment (Europa) GmbH
Ratingen, West Germany

Miller-Holzwarth, Inc.
110 W. State Street
Salem, Ohio 44460
(216) 337-8736

Baird, Do Brasil Representacoes Ltda.
Sao Paulo, Brazil

R.A. Stephen and Company, Ltd.
Mitcham, England

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BATM (NASDAQ)

Number of Employees:

1984	697	1981	718
1983	734	1980	711
1982	747		

Plant Footage:

1983 ...... 150,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1984	$ 46,331,000	$ 971,000
1983	44,261,000	734,000
1982	42,083,000	(332,000)
1981	45,234,000	1,203,000
1980	37,314,000	1,400,000

	No. of Com. Shares #	Earn. per Share #
1984	2,238,000	$ 0.43
1983	2,233,000	0.33
1982	2,233,000	—
1981	2,107,000	0.57
1980	1,550,000	0.90

(Loss)
Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	3%	—
1983	—	3%	—
1982	—	3%	—
1981	—	3%	—
1980	—	3%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 20,159,000	$ 9.01
1983	19,517,000	8.74
1982	19,109,000	8.56
1981	19,446,000	9.23
1980	10,591,000	6.83

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1984	1983
Net Sales	$ 46,330,955	$ 44,260,676
Cost of sales	28,454,818	27,631,468
Expenses	15,201,419	13,948,048
Depreciation	927,874	784,379
Interest expense	409,484	585,395
Income bef. taxes	$ 1,337,360	$ 1,311,386
Income taxes	366,580	577,294
Net Income	$ 970,780	$ 734,092

Assets

As of Sept. 30	1984	1983
Cash	$ 367,814	$ 2,372,646
Receiv., net	12,144,814	11,781,193
Unbilled costs	1,585,498	809,750
*Inventories	13,363,104	11,314,108
Prepaid expenses	417,737	192,325
Current Assets	$ 27,878,967	$ 26,470,022
#Fixed assets	6,631,545	6,476,021
Other assets	161,715	266,811
Intangibles	909,842	925,490
Total Assets	$ 35,582,069	$ 34,138,344

Liabilities

	1984	1983
Loans payable	$ 1,044,948	$ 770,010
Long-term debt, curr.	2,544,820	525,472
Accts. payable	3,265,527	2,609,868
Accruals	3,133,117	3,046,329
Income taxes	434,770	908,931
Adv. pay. from cust.	235,355	1,250,911
Curr. Liabilities	$ 10,658,537	$ 9,111,521
Long-term debt	2,795,432	3,456,449
Deferred inc. taxes	843,766	741,033
Subord. long-term debt	1,125,000	1,312,500
+ Common stock	2,238,323	2,172,534
Add. paid-in capital	14,690,527	14,245,902
Receiv. from officers	(146,331)	(152,362)
For. curr. trans.	(685,701)	(347,605)
Retained earnings	4,062,516	3,598,372
Total Liabilities & Shareholders' Equity	$ 35,582,069	$ 34,138,344

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.89	2.96
%Net Income to Sales	2.10	1.66
%Net Income to Equity	4.82	3.76
Sales to Inventories	3.47	3.91
Working Capital	$17,220,430	$17,358,501
Current Ratio	2.62	2.91
Shareholders' Equity	$20,159,334	$19,516,841

Ball Corporation

345 South High Street
Muncie, Indiana 47302
(317) 747-6100

Officers: John W. Fisher, chairman of the board; Richard M. Ringoen, president & chief executive officer; William L. Peterson, sr. v.p. & chief financial officer; Donovan B. Hicks, group v.p.-technical products; John H. Snyder, group v.p.-industrial products; Duane E. Emerson, v.p.-administration; Frank A. Bracken, group v.p.-glass containers; Delmont A. Davis, group v.p.-metal containers; R. Donald Bell, v.p. & controller; John J. Pruis, v.p.-corp. relations; Leon M. Grandcolas, v.p. & treasurer; George A. Sissel, v.p., corp. secretary & general counsel; Roland P. Campbell, Elizabeth A. Overmyer, asst. secretaries.

Directors: John W. Fisher*, Robert H. Mohlman*, Alvin M. Owsley, Jr., Richard M. Ringoen*, Robert M. Spire, Delbert C. Staley, Richard M. Gillett*, Henry C. Goodrich, A. Malcolm McVie, Arthur G. Hansen, William L. Peterson*, William P. Stiritz, Howard M. Dean

* Member of the Executive Committee.

Areas of Work: The Corporation is a manufacturer in the glass, metal, plastics, electronics, aerospace, and petroleum industries, and supplies products, systems and services to the electronics, energy, food, beverage, automotive, appliance, construction, communications, and data processing industries, and to governmental agencies and universities. It also supplies food preservation products to the consumer market.

Divisions and Subsidiaries:

Technical Products Group
Boulder, Colorado

Engaged in the development and production of monitors for computer-linked data displays; computer products, including memory core planes and arrays, tape drive monitoring systems; infrared technology instrumentation; aerospace sub-systems and components, television camera systems and CRT data display monitors; military antennas, controllers, optical mark readers and optical character readers for the original equipment market.

Manufacturing Division
Boulder, Colorado

Aerospace Division
Boulder, Colorado

Ball Computer Products, Inc.
Boulder, Colorado

Western Aerospace Labs
Huntington Beach, California

Efratom Division
Packaging Products Group
Muncie, Indiana

Operations are divided between commercial glass sales, concentration on food containers, and consumer products, where the principal products are home canning jars and fittings, and home canning and freezing publications. Ball Packaging Products, Inc. develops and sells glass production equipment and licenses processes to other companies.

Consumer Products Division
Commercial Division
Manufacturing Division

Ball Corporation

Metal Container Group
Westminster, Colorado
Produces drawn-and-iron, two-piece, aluminum and steel cans.

Industrial Products Group
Muncie, Indiana

Ball Metal & Chemical Division
Greenville, Tennessee
Makes rolled zinc and lead products, including dry-cell battery cans, strip andialized equipment for photo-engraving processes.

Ball Metal Decorating & Service Division
Chicago, Illinois
Provides metal lithography, metal coatings and specialized light-gauge metal servicing and warehousing functions, including sheeting, slitting and blanking.

Ball Unimark Plastics Division
Milroy, Pennsylvania
Precision injection molding products for the medical and electronics industries.

Transfer Agent(s):

The First National Bank of Chicago
Trust Department
Suite 0123
Chicago, Illinois 60670

American National Bank and Trust Company
110 East Main Street
Muncie, Indiana 47305

Stock Exchange(s): New York, Midwest

Ticker Symbol: BLL

Number of Employees:

1984	9,100	1981	10,000
1983	9,000	1980	11,000
1982	9,600		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,050,700	$ 46,300
1983	909,500	39,000
1982	889,100	34,500
1981	815,182	29,246
1980	698,794	24,402

	No. of Com. Shares #	Earn. per Share #
1984	11,340,000	$ 4.08
1983	11,232,000	3.47
1982	10,915,000	3.16
1981	10,614,000	2.76
1980	10,236,000	2.38

Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues by Line of Business

	1984 (000's)	%	1983 (000's)	%
Packaging products	$ 736,000	70	$644,800	71
Industrial products	117,200	11	110,700	12
Technical products	197,500	19	154,000	17
Total	$1,050,700	100%	$909,500	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.22	—	—
1983	1.10	—	—
1982	0.97	—	2-for-1
1981	0.85	—	—
1980	0.75	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 295,400,000	$ 26.05
1983	262,100,000	23.34
1982	232,600,000	21.31
1981	203,577,000	19.18
1980	179,165,000	17.50

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,050,700	$ 909,500
Cost of sales	876,600	751,300
Expenses	83,100	74,500
Interest expense	9,300	11,800
Income before taxes	$ 81,700	$ 71,900
Income taxes	35,400	32,900
Net Income	$ 46,300	$ 39,000

* Included in Costs and Expenses, Depreciation: $33,100,000 in 1984 and $30,900,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 14,400	$ 23,500
Accts. receiv., net	91,500	84,200
*Inventories	163,400	143,100
Prepaid expenses	5,100	3,500
Current Assets	$ 274,400	$ 254,300
#Fixed assets	304,900	270,000
Other assets	43,100	34,500
Total Assets	$ 622,400	$ 558,800

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 10,400	$ 8,800
Accts. payable	73,100	63,500
Accrued payroll	34,300	33,500
Income taxes	12,800	11,200
Other liabilities	16,700	16,500
Curr. Liabilities	$ 147,300	$ 133,500
Long-term debt & lease obligations	114,800	108,600
Deferred comp.	15,100	9,900
Deferred inc. taxes	49,800	44,700
+ Common stock	40,600	40,700
Retained earnings	254,900	222,600
Treasury stock	(100)	(1,200)
Total Liabilities & Shareholders' Equity	$ 622,400	$ 558,800

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.78	7.91
%Net Income to Sales	4.41	4.29
%Net Income to Equity	15.67	14.88
Sales to Inventories	6.43	6.36
Working Capital	$127,100,000	$120,800,000
Current Ratio	1.86	1.90
Shareholders' Equity	$295,400,000	$262,100,000

Bally Manufacturing Corporation

8700 West Bryn Mawr Avenue
Chicago, Illinois 60631
(312) 399-1300

Officers: Robert E. Mullane, chairman of the board, president & chief exec. officer; Donald B. Romans, exec. v.p., treasurer & chief financial officer; Roger N. Keesee, exec. v.p. & chief operating officer; James M. Rochford, v.p.-corporate affairs & governmental relations; Jerry A. Blumenshine, v.p. & asst. to the president; Martin A. Keane, v.p. & corporate director of technology; Glenn K. Seidenfeld, Jr., v.p., corporate secretary & general counsel; Michael T. Lyon, v.p.-corp. planning & development; William H. Peltier, v.p.-corp. communications; Charles T. Powell, v.p.-corp. adm.; Bruce A. Struckman, corp. controller; Paul J. Johnson, treasurer.

Directors: Robert E. Mullane, chairman, James M. Rochford, George N. Aronoff, James R. Cowan, Patrick L. O'Malley, Walter Wechsler, Kenneth C. Nichols, Barry Diller.

Areas of Work: Designs, manufactures, distributes and sells amusement games and leisure equipment including video games & pinball games, instant lottery games and coin-operated gaming equipment. The company also operates a hotel and casino in Atlantic City, New Jersey through its 84% owned subsidiary, Bally's Park Place, Inc. Also owns and operates over 400 family amusement centers and 7 theme parks, and approximately 323 health and fitness centers.

Divisions and Subsidiaries:

Bally Advance
South San Francisco, California

Bally Aladdin's Castle, Inc.
Chicago, Illinois

Bally Distributing of Nevada, Inc.
Las Vegas and Reno, Nevada

Bally Distributing Corporation
Franklin Park, Illinois

Bally Fitness Products Corporation
Irvine, California

Bally's Park Place, Inc.
Atlantic City, New Jersey

Bally Diemasters
Elmhurst, Illinois

Bally L S
Cicero, Ilinois

Bally Midway Mfg. Co.
Franklin Park, Illinois

Scientific Games, Inc.
Norcross, Georgia

Bally Australia Pty., Ltd.
Sydney, Australia

Bally Continental, Ltd.
Antwerp, Belgium

Bally, France, S.A.
Paris, France

Bally Wulff-Automaten GmbH
Berlin, Germany

Bally Wulff-Vertriebs GmbH
Hanover, West Germany

Six Flags Corporation
Los Angeles, California
Operates seven theme parks.

Acquisition(s):

Lancer Yacht Corporation
Irvine, California
Manufactures sailboats.

Health and Tennis C[illegible]on of America
Los Angeles, Californ[illegible]
Operates approximately 285 health and fitness centers.

Transfer Agent(s):

American National Bank & Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): New York, American

Ticker Symbol: BLY

Number of Employees:

1984	N.A.	1982	10,700
1983	19,000	1981	9,950

N.A. - Not Available

Sales and Earnings

	Revenues	Net Income
1984	$1,349,415,000	$ (100,411,000)
1983	1,175,857,000	5,158,000
1982	1,285,057,000	90,978,000
1981	884,903,000	81,676,000
1980	693,210,000	52,759,000

	No. of Com. Shares †	Earn. per Share †
1984	26,015,300	$ —
1983	26,381,530	0.20
1982	30,318,735	3.20
1981	27,267,032	3.03
1980	27,292,614	1.97

(Loss)

† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Sales	$ 297,721	$ 326,420
Amusement & leisure	738,791	557,309
Hotel & casino	272,330	264,194
Other	40,573	27,934
Total	$ 1,349,415	$ 1,175,857

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.20	—	—
1982	0.15	—	—
1981	0.10	—	—
1980	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 368,721,000	$ 14.17
1983	490,595,000	18.60
1982	485,866,000	16.03
1981	394,208,000	14.46
1980	312,566,000	11.45

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 297,721	$ 326,420
Hotel & casino	272,330	264,194
Amuse. centers	738,791	557,309
Other income	40,573	27,934
Total income	$ 1,349,415	$ 1,175,857
Cost of sales	276,438	296,940
Hotel & casino	175,072	170,067
Amuse. centers	619,383	460,951
Expenses	173,849	149,755
Prov. for doubt. accts.	64,652	28,745
Prov. for restructuring	121,700	—
Income expense	83,911	53,489
Inc. (loss) bef. taxes	$ (165,590)	$ 15,910
Income taxes (credit)	(67,920)	7,674
Minority interest	2,741	3,078
Net Income (Loss)	$ (100,411)	$ 5,158

* Included in Costs and Expenses, Depreciation and Amortization: $115,696,000 in 1984 and $99,843,000 in 1983.

Assets
(000's)

As of Dec. 31		1983
Cash & cert. of deposit	$ 38,978	$ 45,862
Receiv., net	212,209	209,075
*Inventories	54,694	92,259
Other curr. assets	27,540	24,483
Refund. income taxes	66,872	38,802
Current Assets	$ 400,293	$ 410,481
Long-term receivables	13,536	14,795
#Fixed assets	850,127	740,886
Other assets	101,752	92,873
Intangibles	104,522	80,812
Total Assets	$ 1,470,230	$ 1,339,847

Liabilities
(000's)

Notes payable	$ 44,994	$ 33,474
Long-term debt, curr.	55,182	16,659
Accts. payable	44,502	45,238
Accruals	137,926	86,296
Income taxes	39,326	45,136
Deferred revenues	51,259	34,264
Curr. Liabilities	$ 373,189	$ 261,067
Long-term debt	622,510	506,944
Long-term liabilities	38,930	—
Deferred income taxes	36,452	53,428
Minority interest	30,428	27,813
+Common stock	17,684	17,684
Add. paid-in capital	112,351	114,923
Retained earnings	256,072	361,686
Currency trans. adj.	(5,263)	(3,698)
Treasury stock	(12,123)	—
Total Liabilities & Shareholders' Equity	$ 1,470,230	$ 1,339,847

* At lower of cost (LIFO for the Company, FIFO for subsidiaries) or market.

# Less accumulated depreciation.

+ $0.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales & Revenues	—	13.52
%Net Income to Sales & Revenues	—	0.44
%Net Income to Equity	—	1.06
Working Capital	$ 27,104,000	$149,414,000
Current Ratio	—	1.57
Shareholders' Equity	$368,721,000	$490,595,000

Barnes Engineering Company

44 Commerce Road
P.O. Box 53
Stamford, Connecticut 06904
(203) 348-5381

Officers: Christopher H. Smith, president & chief executive officer; John B. Byrne, v.p., treasurer & chief financial officer; Robert B. Barnes, Jr., v.p.-business development & program management; William J. Kelly, v.p.-engineering & operations; Irving A. Stern, controller; Donald L. Conway, secretary; Joan B. Hiller, asst. secretary; Timothy L. Miller, Brian M. Calderwood, asst. treasurers.

Directors: Christopher H. Smith*, Robert B. Barnes, Jr.*, Joseph H. Johnson*, Benjamin Lax*, Charles D. Ravenel*, David C. Bevan, Jr., D. Allan Bromley, Donald G. Kennedy, William L. Mayo.

* Member of the Executive Committee.

Areas of Work: The company's operations are divided into two operating groups—Systems & Instruments Division and Security Division.

The Systems and Instruments Division is engaged in the design, development and manufacture of high technology products and systems with applications in the laboratory, defense and space exploration markets. The Security Division designs and manufactures various security and intrusion detection products for Corporate headquarters, nuclear power generating plants and industrial and commercial facilities.

Divisions:

Systems & Instruments Division

Security Division

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: BIR

Sales and Earnings

	Net Sales +	Net Income #
1984	$ 20,164,000	$ 111,000
1983	19,369,000	(3,832,000)
1982	17,837,000	(6,153,000)
1981	22,739,000	259,000
1980	17,012,000	1,259,000

	No. of Com. Shares ‡	Earn. per Share ‡#
1984	1,525,132	$ 0.07
1983	1,503,000	—
1982	1,681,000	—
1981	1,609,000	0.16
1980	1,344,000	0.94

(Loss)

+ Of continuing operations only; includes other revenues.

‡ Based on the average number of shares outstanding adjusted to reflect stock dividend.

# Including extraordinary gains of $44,000 ($0.03 per share) in 1984 and $280,000 ($0.21 per share) in 1980.

Revenues By Line of Business

	1984	1983
Systems & Instrument div.	$ 15,459,000	$ 10,086,000
Security Group	4,705,000	9,283,000
Total	$ 20,164,000	$ 19,369,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ (1,213,843)	$ —
1983	(1,722,000)	—
1982	1,782,000	1.06
1981	9,650,000	6.00
1980	7,232,000	5.38

(Deficiency)

‡ Based on the average number of shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended June 30	1984	1983
Net sales & revenues	$ 20,163,733	$ 19,369,000
Cost of sales	15,073,453	15,845,000
Expenses	4,289,714	5,847,000
Interest expense	690,029	1,344,000
Inc. (loss) bef. taxes	$ 110,537	$ (3,667,000)
Income taxes	44,000	—

Barnes Engineering Company

	1984	1983
Income (loss) from cont. oper.	$ 66,537	$ (3,667,000)
Loss from discont. oper.	—	(165,000)
Net Income (Loss)	$ 66,537	$ (3,832,000)
Extraord. gain	44,000	—
Net Income (Loss) & extraord. gain	$ 110,537	$ (3,832,000)

* Included in Costs and Expenses, Depreciation and Amortization: $570,000 in 1983 and $636,000 in 1982.

Assets

As of June 30	1984	1983
Cash	$ 99,276	$ 351,000
Receiv., net	4,782,600	4,662,000
*Inventories	1,725,100	2,199,000
Other curr. assets	223,912	227,000
Current Assets	$ 6,830,888	$ 7,439,000
#Fixed assets	1,165,792	1,028,000
Other assets	768,575	994,000
Total Assets	$ 8,765,255	$ 9,461,000

Liabilities

	1984	1983
Notes payable & long-term debt, curr.	$ 1,037,568	$ 667,000
Accts. payable	1,100,813	2,455,000
Other curr. liabilities	1,680,546	1,308,000
Curr. Liabilities	$ 3,818,927	$ 4,430,000
Long-term debt	5,035,451	5,754,000
Other liabilities	1,124,720	999,000
+ Common stock	1,543,557	1,512,000
Add. paid-in capital	6,101,757	6,025,000
Retained earnings (deficit)	(8,859,157)	(8,971,000)
Prepaid contribution to ESOP	—	(288,000)
Total Liabilities & Shareholders' Equity	$ 8,765,255	$ 9,461,000

* At lower of cost (FIFO) or realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	0.54	—
%Net Income to Sales	0.32	—
Sales to Inventories	11.68	—
Working Capital	$ 3,011,961	$ 3,009,000
Current Ratio	1.78	1.68
Shareholders' Equity (Deficiency)	$(1,213,843)	$(1,722,000)

Barry Wright Corporation

One Newton Executive Park
Newton Lower Falls, Massachusetts 02162
(617) 965-5800

Officers: Ralph Z. Sorenson, chairman of the board, president & chief executive officer; P. Norman Roy, exec. v.p.; John F. Quinn, v.p. & president-Industrial and Aero Products Group; Milton E. Gilbert, v.p.-corporate counsel & secretary; Jack L. Manes, Jr., v.p. - human resources; Charles H. Sellman, v.p., controller & treasurer; David M. Wright, corp. v.p. & v.p.-Wright Line, Inc.; Philip M. Croel, v.p. & president-Wright Line, Inc.; Eustis Walcott, Jr., v.p-corp. relations; William H. Gorham, clerk; Patricia A. Irwin, asst. treasurer & asst. secretary; Edith C. McGuinness, asst. secretary.

Directors: Ralph Z. Sorenson*, chairman; George P. Gardner, Jr., G. Richard Westin, Jerome Ottmar, Philip A. Singleton*, P. Norman Roy*, Robert P. Henderson, Ervin Pietz, Roger D. Wellington.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Industrial & Aero Products Group

Barry Controls Division
Watertown & Woburn, Massachusetts
Burbank, California
Design, manufacture and marketing of engineered products to control the effects of dynamic forces and motions, including vibration, impact shock and noise.

Vlier Engineering Division
Burbank, California
Woburn, Massachusetts
Design, manufacture and marketing of products for holding, positioning and locating parts during manufacture and for reducing "in plant" noise and vibration.

Zero-Max Division
Minneapolis, Minnesota

Parametrics Division
Madison, Connecticut
Orange, Connecticut
Designs, manufactures, and markets specialty power transmission products, primarily mechanical variable speed drives and accessories.

Barry Controls GmbH (49% owned)
Raunheim, Germany
Sales and marketing distribution in Western Europe.

Miki Zero-Max Ltd.
Kawasaki-City, Japan
Sales and marketing distribution in Japan.

Wright Line Inc.

Wright Line Division
Worcester, Massachusetts
High Point, North Carolina
South Norwalk, Connecticut
Design, manufacture and marketing of accessory products that serve end users of information processing systems, especially electronic data processing systems, and users of computer printout, systems documentation and microforms, related supplies for visual control and quick reference or retrieval of non-automated business records serving medical, manufacturing, service and distribution businesses and public and private institutions.

VISIrecord Systems Division
Worcester, Massachusetts
South Norwalk, Connecticut
Design, manufacture and marketing of systems and equipment.

Wright Line of Canada Ltd.
Toronto, Canada

Wright Line GmbH
Frankfurt, Germany

Dolan-Jenner Industries, Inc.
Manufactures fibre optics products, controls, and other devices for use in robotics and flexible manufacturing systems.

Acquisition(s):

VisuFlex Company
Manufactures microfilm and microfiche filing products.

Schmidt Couplings, Inc.
Manufactures power transmission couplings.

Muffelite, Ltd.
Manufactures shock and vibration controls.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
P.O. Box 24935
Church Street Station
New York, New York 10249

Stock Exchange(s): New York

Ticker Symbol: BAR

Number of Employees:

1984		1983	
1984	N.A.	1983	2,198

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 201,789,000	$ 15,026,000
1983	162,171,000	13,658,000
1982	140,849,000	10,907,000
1981	144,903,000	12,768,000
1980	124,489,000	10,007,000

	No. of Com. Shares #	Earn. per Share #
1984	8,964,000	$ 1.68
1983	8,713,000	1.57
1982	8,542,000	1.28
1981	8,253,000	1.55
1980	7,588,292	1.32

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.57	—	—
1983	0.46	—	—
1982	0.40	—	—
1981	0.38	—	—
1980	0.29	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 100,019,000	$ 11.08
1983	89,093,000	9.97
1982	77,510,000	9.01
1981	69,044,000	8.12
1980	43,184,632	5.68

† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 201,789,000	$ 162,171,000
Other income	3,025,000	3,156,000
Total income	$ 204,814,000	$ 165,327,000
Cost of sales	111,875,000	84,981,000
Expenses	66,023,000	54,863,000
Interest expense	300,000	338,000
Income before taxes	$ 26,616,000	$ 25,145,000
Income taxes	11,590,000	11,487,000
Net Income	$ 15,026,000	$ 13,658,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,926,000 in 1984 and $4,034,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 11,662,000	$ 27,476,000
Accts. receiv., net	38,695,000	30,375,000
*Inventories	30,443,000	19,701,000
Other curr. assets	3,382,000	1,856,000
Current Assets	$ 84,182,000	$ 79,408,000
#Fixed assets	43,384,000	33,796,000
Other assets	9,300,000	4,072,000
Total Assets	$ 136,866,000	$ 117,276,000

Liabilities

	1984	1983
Notes payable	$ 1,798,000	$ —
Long-term debt, curr.	312,000	291,000
Accts. payable	12,380,000	7,569,000
Accruals	14,301,000	12,291,000
Income taxes	826,000	1,834,000

Curr. Liabilities	$ 29,617,000	$ 21,985,000
Long-term debt	1,861,000	2,172,000
Deferred compensation	464,000	800,000
Deferred inc. taxes	4,905,000	3,226,000
+ Common stock	9,118,000	9,071,000
Add. paid-in capital	20,324,000	18,138,000
Retained earnings	72,234,000	62,357,000
For. curr. trans. adjust.	(322,000)	(135,000)
Treasury stock	(1,335,000)	(338,000)
Total Liabilities & Shareholders' Equity	$ 136,866,000	$ 117,276,000

* At lower of cost or market. Domestic inventories at LIFO; foreign at FIFO or average. Certain inventories of the Industrial and Aero Prods. Group stated at FIFO or average.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.19	15.50
%Net Income to Sales	7.45	8.42
%Net Income to Equity	15.02	15.33
Sales to Inventories	6.63	8.23
Working Capital	$ 54,565,000	$57,423,000
Current Ratio	2.84	3.71
Shareholders' Equity	$100,019,000	$89,093,000

Base Ten Systems, Inc.

One Electronics Drive
P.O. Box 3151
Trenton, New Jersey 08619
(609) 586-7010

Officers: Myles M. Kranzler, chairman of the board & president; William M. Errickson, sr. v.p. & secretary; James A. Eby, sr. v.p.-engineering; Gene Lieberman, v.p.-manufacturing; Edward J. Klinsport, treasurer; Richard G. Kandrac, v.p.-operations; Andrew S. MacAninch, v.p.; Alan J. Eisenberg, v.p.

Directors: Myles M. Kranzler, chairman; James A. Eby; William M. Errickson; Robert G. Kales, Jr.; Mildred Kranzler.

Areas of Work: Designs and manufactures electronic data systems used in the testing, research and development of new aircraft, missiles and satellites. Other applications include avionic controls and micro processor systems, alarm reporting systems.

Divisions:

REM Machine Division
One Electronics Drive
P.O. Box 3151
Trenton, New Jersey 08619
(609) 586-7010

Subsidiaries:

Base Ten Systems Electronics, GmbH
Erfurter Strasse 29
8057 Eching
Federal Republic of Germany

Base Ten Systems, Ltd.
12 Eelmoor Road
Farnborough
Hampshire GU147QN
United Kingdom

Base Ten Systems, Inc.
Defense Products Marketing West
1580 Claremont Boulevard
Suite 201
Claremont, Ca 91711

Base Ten International, Inc.
103 Springer Building
3411 Silverside Road
Wilmington, Delaware 19810

Base Ten of Canada, Ltd.
301 E. Weston Street
Winnipeg, Manitoba R3E 3H4
Canada

Base Ten Marketing, Inc.
One Electronics Drive
P.O. Box 3151
Trenton, N.J. 08619

Base Ten Sales, A.G.
Baarerstrasse 10
6300 Zug, Switzerland

Transfer Agent(s):

Morgan Guaranty Trust Co.
30 West Broadway
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	540	1982	N.A.
1983	N.A.		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income
1984	$ 23,701,000	$ (457,000)
1983	17,860,000	1,142,000
1982	18,454,000	2,106,000
1981	15,117,000	1,665,000
1980	11,202,000	1,003,000

	No. of Com. Shares #	Earn. per Share #
1984	3,502,070	$ —
1983	3,603,590	0.32
1982	3,401,132	0.62
1981	3,142,795	0.53
1980	2,402,110	0.42

(Loss)
* 10 months.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	10%	—
1983	0.15	—	—
1982	0.10	—	2-for-1
1981	0.05	10%	—
1980	0.025	10%	3-for-1

+ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 10,684,000	$ 3.05
1983	11,227,000	3.12
1982	10,170,000	2.99
1981	8,206,000	2.61
1980	2,844,000	1.18

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Oct. 31	1984	1983
Sales	$ 23,046,000	$ 16,826,000
Interest income	655,000	1,034,000
Revenues	$ 23,701,000	$ 17,860,000
Cost of sales	14,747,000	8,539,000
Expenses	7,719,000	6,904,000
Investment cost	1,722,000	—
Develop. cost	—	352,000
Interest	723,000	585,000
For. curr. trans. adjust.	357,000	156,000
Income (loss) before taxes	$ (1,567,000)	$ 1,324,000
Income taxes (credit)	(1,110,000)	182,000
Net Income (Loss)	$ (457,000)	$ 1,142,000

* Included in Costs and Expenses, Depreciation and Amortization: $908,000 in 1984 and $667,000 in 1983.

Assets

As of Oct. 31	1984	1983
Cash & cash equiv.	$ 2,241,000	$ 4,478,000
Accts. receiv., net	8,014,000	6,635,000
*Inventories	4,677,000	5,496,000
Other curr. assets	119,000	107,000
Current Assets	$ 15,051,000	$ 16,716,000
# Fixed assets	6,533,000	5,844,000
Restricted cash	3,200,000	2,838,000
Market. secur.	437,000	435,000
Other assets	174,000	125,000
Total Assets	$ 25,395,000	$ 25,958,000

Liabilities

Notes payable	$ 16,000	$ 1,338,000
Long-term debt, curr.	699,000	708,000
Accts. payable & accruals	3,545,000	2,147,000
Cust. advances	1,869,000	1,598,000
Income taxes	1,637,000	2,900,000
Curr. Liabilities	$ 7,766,000	$ 8,691,000
Deferred inc. taxes	282,000	166,000
Deferred Comp.	422,000	314,000
Long-term debt	6,241,000	5,560,000
+ Common stock	3,483,000	3,141,000
Add. paid-in capital	9,469,000	5,135,000
Retained earnings (Deficit)	(774,000)	3,740,000
Restr. stock award comp.	(714,000)	(341,000)
For. curr. trans. adjust.	(705,000)	(371,000)
Valuation allowance	(75,000)	—
Total Liabilities & Shareholders' Equity	$ 25,395,000	$ 25,958,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	7.87
%Net Income to Sales	—	6.79
%Net Income to Equity	—	10.17
Sales to Inventories	4.93	3.06
Working Capital	$7,285,000	$8,025,000
Current Ratio	1.94	1.02
Shareholders' Equity	$10,684,000	$11,227,000

Bastian Industries, Inc.

150 E. 58th Street
New York, New York 10155
(212) 486-2411

Officers: Benson A. Selzer, chairman of the board and sr. v.p.; Samuel Ofrichter, president, secretary & chief executive officer; Robert Komenda, v.p. treasurer & controller; John A. Selzer, v.p. & asst. secretary.

Directors: Benson A. Selzer*, chairman; Andrew N. Heine, Edwin C. Nevis, Samuel Ofrichter*, Irvin L. Feinberg, John A. Selzer.

* Member of the Executive Committee.

Areas of Work: Manufactures ultra-high reliability inductors, capacitors and resistors for use in the computer and defense industries. Produces modems and accoustic couplers, sheet metal and aluminum products for computers and business machines, and high-precision metal components for the computer and aerospace industries. Other areas include: hydraulic hoses, stainless steel equipment for restaurant use and restaurant decor systems.

Bastian Industries, Inc.

Divisions and Subsidiaries:

Nytronics Components Group, Inc.
Orange Street
Darling, South Carolina 29532
(803) 393-5421

Suckle Corporation
Suckle and National Highways
Pennsauken, New Jersey 08110
(609) 665-9100

733 Davis Street
Scranton, Pennsylvania 18501
(717) 346-3871

T.M.I.
2335 Alaska Avenue
El Segundo, California 90245
(213) 772-6363

NRP Hose Products Division
Midway Supply Division

Acquisition(s):

Branchland Pipe and Supply Company
Sell and distribute pipe, equipment and other supplies to the oil and gas production industries in the U.S. Applachian Basin.

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Nytronics, Inc.
2335 Alaska Avenue
El Segundo, California 90245

Stock Exchange(s): Pacific, Over-the-Counter

Ticker Symbol: BSI (Pacific), BSIN (NASDAQ)

Number of Employees:

1984	1,964	1982	978
1983	1,087		

Plant Footage:

1984	741,513 sq. ft.
1983	455,000

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 132,107,000	$ 3,146,000
1983	63,189,000	883,000
1982	78,351,000	(1,753,000)
1981	71,359,000	2,353,000
1980	59,764,000	3,961,000

	No. of Com. Shares †	Earn. per Share † ‡
1984	2,451,414	$ 1.10
1983	2,426,829	0.18
1982	2,424,655	—
1981	2,334,739	0.82
1980	2,208,718	1.59

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gains of $606,000 ($0.25 per share) in 1984 and $672,000 ($0.29 per share) in 1981.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Electronic components	$ 35,016	$ 12,019
Metal components	32,507	23,086
Oil field supply	64,584	28,084
Total	$ 132,107	$ 63,189

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 24,103,000	$ 9.83
1983	18,279,000	7.53
1982	17,840,000	7.36
1981	20,025,000	8.58
1980	16,345,000	7.40

‡ After allowing for preferred stock at par value.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended July 31	1984	1983
Net sales	$ 132,107	$ 63,189
Cost of sales	103,546	48,024
Expenses	20,506	12,581
Interest expense	1,956	977
Amortization	478	490
Income before taxes	$ 5,621	$ 1,117
Income taxes	2,892	591
Inc.-cont. oper.	$ 2,729	$ 526
Inc. (loss)-discont. oper.	(189)	357
Net Income	$ 2,540	$ 883
Extraord. gain	606	—
Net Income & extraord. gain	$ 3,146	$ 883

* Included in Costs and Expenses, Depreciation: $1,520,000 in 1984 and $905,000 in 1983.

Assets
(000's)

As of July 31	1984	1983
Cash	$ 4,292	$ 2,271
Accts. receiv., net	20,476	12,976
*Inventories	22,653	12,687
Notes & other receiv.	1,314	1,364
Other curr. assets	1,166	923
Current Assets	$ 49,901	$ 30,221
#Fixed assets	23,415	9,127
Other assets	3,692	3,278
Notes & other reciev.	4,449	5,763
Intangibles	4,525	12,515
Total Assets	$ 85,982	$ 60,904

Liabilities
(000's)

	1984	1983
Notes payable	$ 8,997	$ 8,115
Long-term debt, curr.	3,008	316
Accts. payable	12,919	7,175
Accruals	9,741	5,316
Curr. Liabilities	$ 34,665	$ 20,922
Long-term debt	21,532	15,263
Other liab.	5,054	5,895
+ Preferred stock	628	545
+ + Common stock	26	24
Add. paid-in capital	21,045	17,908
Retained earnings	3,032	347
Total Liabilities & Shareholders' Equity	$ 85,982	$ 60,904

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.
+ + $0.01 par value.

Statistical Summary

%Income bef. Taxes to to Sales	4.25	1.77
%Net Income to Sales	1.92	1.40
%Net Income to Equity	10.27	4.69
Sales to Inventories	5.83	4.98
Working Capital	$15,236,000	$ 9,299,000
Current Ratio	1.44	1.44
Shareholders' Equity	$24,731,000	$18,824,000

Bausch & Lomb Incorporated

One Lincoln First Square
P.O. Box 54
Rochester, New York 14601
(716) 338-6000

Officers: Daniel E. Gill, chairman of the board & president; Thomas C. McDermott, sr. v.p.-Consumer & Scientific Products; Stephen P. Kelbley, sr. v.p.-finance; Stanley W. Merrell, sr. v.p.-administration; James E. Kanaley, v.p.-Personal Products Division; Harold O. Johnson, v.p.-International Division; W. Terry Smith, sr. v.p.-Professional Eye Care Products & International Group; Jon M. Larson, v.p.-corporate services; Roger L. Boeve, v.p. & treasurer; Diane C. Harris, v.p.-corporate development; Jay T. Holmes, sr. v.p.- corporate affairs & secretary; Donald M. Earhart, v.p. - Professional Products Division; Robert J Palmisano, v.p. - human resources; Stephen A. Hellrung, asst. gen counsel & asst. secretary; James J. Ward, controller; Allan H. Resnick, asst. treasurer.

Directors: Franklin E. Agnew*, E. Kent Damon*, Alexander D. Hargrave*, Daniel E. Gill*, John R. Purcell, Robert L. Sproull*, William F Bolger, Thomas C. McDermott, W. Terry Smith, Robert L. Tarnow

* Member of the Executive Committee

Areas of Work: In the ophthalmic area, produces lenses, eye glass frames and Soflens contact lenses, diagnostic and refracting instruments and furniture for professionals, and safety products such as eye glasses and respirators. Consumer products include sun glasses, fashion eyewear, contact lenses, telescopes, binoculars, camera lenses, rifle sights, readers and magnifiers. Scientific instruments and components and optical products for industry and the educational, medical and research fields include microscopes and accessories, metallographs, spectrochemical analytical systems, spectrophotometers, diffraction gradings, electronic recoders, digital plotting systems, high precision measuring systems, photogrammetric equipment, microprojectors and optical glass.

Divisions and Subsidiaries:

Bausch & Lomb Opthalmic Instruments
Berkeley, California
Rochester, New York

Charles River Biotechnical Services, Inc.
Wilmington, Massachusetts

Charles River Laboratories, Inc.
Wilmington, Massachusetts
Summerland Key, Florida
Scarborough, Maine
Portage, Michigan
Newfield, New Jersey
Port Washington, Stone Ridge, New York

International Division
Rochester, New York

Optical Systems Division
Rochester, New York
Sparks, Maryland
Ocean Springs, Mississippi

Personal Products Division
Rochester, New York
Greenville, South Carolina

Polymer Technology Corporation
Wilmington, Massachusetts

Professional Products Division
Rochester, New York
Sarasota, Florida
Boston, Massachusetts

Sports Optics Division
Pasadena, California

Sunglass Division
Rochester, New York
Oakland, Maryland

Consumer Products Division
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Bausch & Lomb Insurance Company
1400 N. Goodman Street
Rochester, New York 14602
(716) 338-6000

Bausch & Lomb Opticare, Inc.
Rochester, New York

Bausch & Lomb Puerto Rico, Inc.
San Juan, Puerto Rico

Bausch & Lomb Canada Inc.
P.O. Box 4008, Terminal-A
Toronto, M5W 1J4, Canada
(416) 449-2252

Charles River Canada
Toronto, Ontario, Canada

Charles River U.K., Ltd.
Margate, England

Bausch & Lomb U.K. Ltd.
London, England

Bausch & Lomb France, S.A.
Versailles, France

Charles River France, S.A.
St. Aubin-les-Elbeuf, France

Applied Research Laboratories G.m.b.H.
Vienna, Austria

Bausch & Lomb Belvium N.V.
Gistel, Belgium

Bausch & Lomb Hong Kong Ltd.
Hong Kong

Bausch & Lomb Milano, S.p.A.
Milan, Italy

Charles River Italia S.p.A.
Calco, Italy

Bausch & Lomb Italiana, S.p.A.
Rome, Italy

B.L.J. Company Limited
Tokyo, Japan

Charles River Japan, Inc.
Atsugi & Hino, Japan

A.R.L. Netherlands B.V.
Amsterdam, Netherlands

Bausch & Lomb Panama, S.A.
Panama City, Panama

Bausch & Lomb Espana S.A.
Madrid, Spain

Bausch & Lomb A.G.
Bern, Switzerland

Bausch & Lomb B.V.
Amsterdam, Netherlands

Bausch & Lomb Norway A/S
Oslo, Norway

Bausch & Lomb G.m.b.H.
Hamburg, Germany

Charles River Wiga G.m.b.H.
Sandhofer, West Germany

Bausch & Lomb International, Inc.
Manila, Phillipines

Bausch & Lomb Svenska A.B.
Stockholm, Sweden

Bausch & Lomb G.m.b.H.
Vienna, Austria

Bausch & Lomb Ireland Limited
Waterford, Ireland

Bausch & Lomb Argentina S.A.
Buenos Aires, Argentina

Bausch & Lomb Denmark A/S
Copenhagen, Denmark

Bausch & Lomb (Australia) Pty. Limited
Sydney, Australia

Bausch & Lomb Taiwan Limited
Taiwan

Bausch & Lomb (Singapore) Pte. Ltd.
Singapore

M.H. Scientific Sales
Johannesburg, Republic of South Africa

Bausch & Lomb Vision Care South Africe (Pty.) Ltd.
Johannesburg, Republic of South Africa

OY Bausch & Lomb Finland A.B.
Helsinki, Finland

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
23 Wall Street
New York, New York 10015

Chase/Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, New York 14643

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: BOL

Number of Employees:

1984	8,300	1981	11,300
1983	9,200	1980	12,900
1982	8,800		

Sales and Earnings ‡

	Net Sales +	Net Income
1983	$ 533,600,000	$ 50,200,000
1982	477,300,000	48,400,000
1981	432,600,000	35,700,000
1980	443,000,000	15,400,000
1979	392,900,000	56,400,000

	No. of Com. Shares #	Earn. per Share #
1984	29,716,000	$ 1.69
1983	29,621,000	1.63
1982	29,460,000	1.21
1981	29,361,000	0.52
1980	28,749,000	1.96

‡ Restated to include operations of Charles River Laboratories, Inc., acquired on a pooling of interests basis.
+ Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Professional eye care prods.	$ 173,853,000	$ 147,854,000
Health care & consumer prods.	267,208,000	244,845,000
Biomedical & scientific prods.	92,497,000	84,588,000
Total	$ 533,558,000	$ 477,287,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.78	—	—
1983	0.78	—	2-for-1
1982	0.78	—	—
1981	0.78	—	—
1980	0.61	—	—

+ Adjusted to reflect stock split.

Common Stock Equity +

	Total Equity	Equity Per Share †
1984	$ 327,187,000	$ 11.04
1983	312,524,000‡	10.58
1982	293,343,000‡	9.98
1981	276,227,000‡	9.49
1980	279,649,000‡	9.82

+ Restated
‡ After allowing for preferred stock at par value
† Adjusted to reflect stock split

Income Account
(000's)

Year ended	12/30/84	12/25/83 ‡
Net sales	$ 533,558	$ 477,287
Cost of sales	249,149	233,187
Expenses	149,082	133,512
Res. & develop.	18,223	13,390
Interest expense	16,687	12,108
Loss from for. curr.	2,850	574
Other	12,540	12,634
Inc. before taxes	$ 85,027	$ 71,882
Income taxes	26,250	20,892
Inc. - cont. oper.	$ 58,777	$ 50,990
Loss - discont. oper.	(8,542)	(2,602)
Net Income	$ 50,235	$ 48,388

‡ Restated

Assets
(000's)

As of	12/30/84	12/25/83 ‡
Cash	$ 5,551	$ 4,084
Marketable securities	47,412	23,951
Receiv., net	91,843	163,231
*Inventories	124,446	146,837
Net assets of discont. oper.	62,318	—
Future income tax benefits	11,070	7,500
Other current assets	19,962	27,328
Current Assets	$ 362,602	$ 372,931
#Fixed Assets	127,594	138,291
Other assets	76,499	42,188
Total Assets	$ 566,695	$ 553,410

Liabilities
(000's)

Notes payable	$ 47,967	$ 31,084
Long-term debt, curr.	3,645	3,819
Accts. payable	31,133	45,591
Accrued comp.	19,708	20,818
Accrued liab.	33,079	38,391
Income taxes	9,413	7,152
Reserve for discont. operations	7,171	—
Curr. Liabilities	$ 152,116	$ 146,855
Long-term debt	76,622	82,566
Deferred inc. taxes	10,770	10,010
+ Preferred stock	—	1,455
+ + Common stock	14,333	14,333
+ + + Class B stock	59	59
Add. paid-in capital	60,637	59,387
Retained earnings	282,071	255,272
Cum. trans. adjust.	(29,913)	(16,527)
Total Liabilities & Shareholders' Equity	$ 566,695	$ 553,410

† Restated.
* At lower of cost (domestic inventories at LIFO; all others at FIFO) or market.
# Less accumulated depreciation.
+ $100 par value; 4% cumulative.
+ + $0.40 par value.
+ + + $0.08 par value.

Bausch & Lomb Incorporated

Statistical Summary

%Net Income to Equity	15.35	15.41
Sales to Inventories	4.29	3.25
Working Capital	$210, 36,000	$226,076,000
Current Ratio	2.38	2.54
Shareholders' Equity	$327,187,000	$313,979,000

Beatrice Companies, Inc.

2 North LaSalle Street
Chicago, Illinois 60602

Officers: James L. Dutt, chairman of the board and chief executive officer; Frank E. Grzelecki, executive vice president and president-Consumer Products; David E. Lipson, executive vice president and chief financial officer; Anthony Luiso, executive vice president and president-U.S. Food; William S. Mowry, Jr., executive vice president and president-International Food; Richard J. Pigott, executive vice president and chief administrative officer; Fred M. Adamany, senior vice president and president-Refrigerated Food; Nolan D. Archibald, senior vice president and president-Consumer Durables; John R. Attwood, senior vice president and president-Beverage; Reuben W. Berry, senior vice president-Organization and Management Resources; Thomas P. Kemp, senior vice president and president-Grocery; William E. Reidy, senior vice president and director-Corporate Strategy; Hercules P. Sotos, senior vice president and president-International Playtex; Richard F. Vitkus, senior vice president and general counsel; Richard S. Williamson, senior vice president-Corporate and International Relations; Mary D. Allen, vice president and assistant general counsel; Chance Bahadur, vice president and treasurer; William P. Carmichael, vice president and director, taxes; John S. Corcoran, vice president; Edward Ehrenberg, vice president and director-Planning and Operations Staff; Michael Fung, vice president and director-Operations Analysis; Donald H. Klein, vice president and director-security; Daniel M. Lechin, vice president and director-corporate development; Mari Meseng, vice president and director-corporate relations; Lee F. Reiser, Jr., vice president and director-special events; John A. Stevens, vice president and controller; M. Patricia Kehoe, secretary; A. Jerome Becker, assistant vice president and director-International Treasury; Kathleen B. Kallman, assistant vice president and assistant to the chairman.

Directors: Angelo R. Arena, Alexander Brody, G.A. Costanzo, James W. Cozad, James L. Dutt, chairman of the board, Frank E. Grzelecki, Walter J. Leonard, David E. Lipson, Anthony Luiso, Bernard A. Monaghan, William S. Mowry, Jr., Richard J. Pigott, Cedric E. Ritchie, Goff Smith, Jayne B. Spain, Omer G. Voss, Russell L. Wagner, Murray L. Weidenbaum.

Areas of Work: The company recently acquired Esmark, Inc. Through Estronico, Inc. an Esmark subsidiary, the company manufactures high performance audio and high fidelity loudspeakers. Other industries served by Esmark companies are industrial and automotive products.

Transfer Agent(s):

Continental Illinois National Bank and
Trust Company of Chicago
Shareholder Service Division
30 North LaSalle Street
Chicago, Illinois 60693

Stock Exchange(s): New York, Midwest, Basel, Geneva, Zurich, Lausanne, Frankfurt and Dusseldorf.

Beatrice Series A Preference Stock is listed on the New York Stock Exchange.

Ticker Symbol: BRY-Common Stock
BRYA-Series A Preference Stock

Number of Employees:

1984 100,000

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)	No. of Com. Shares	Earn. per Share ‡
1985	$ 12,595,000	$ 479,000	91,655,000	$ 5.06
1964	9,327,000	433,000	91,440,000	4.23
1983	9,139,000	43,000	99,084,000	0.27
1982	9,021,000	390,000	98,439,000	3.02
1981	8,773,000	304,000	N.A.	2.94

N.A.-Not Available
† Includes operating revenues.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
U.S. Food	$ 6,270,000	$ 4,095,000
Consumer prods.	1,953,000	948,000
International food	1,852,000	1,732,000
Avis/Other operations	821,000	28,000
Divestitures	1,699,000	2,524,000
Total	$ 12,595,000	$ 9,327,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1.70	—	—
1984	1.60	—	—
1983	1.50	—	—
1982	1.40	—	—
1981	1.30	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1985	$2,114,000,000	$ 23.07
1984	1,834,000,000	20.06
1983	1,961,000,000	19.77
1982	2,162,000,000	21.95

‡ After allowing for preferred stock at redemption values.

Income Account *
(000's)

Year ended	2/28/85	2/29/84
Net sales	$ 12,595,000	$ 9,327,000
Cost of sales	8,789,000	6,664,000
Expenses	2,761,000	1,771,000
Depreciation	265,000	194,000
Interest income	(55,000)	(39,000)
Interest expense	449,000	113,000
Business realignment	(414,000)	(163,000)
Other income	(38,000)	(16,000)
Income before taxes	$ 838,000	$ 803,000
Income taxes	349,000	360,000
Minority interests	10,000	10,000
Net Income	$ 479,000	$ 433,000

Assets
(000's)

As of	2/28/85	2/29/84
Cash	$ 126,000	$ 67,000
Short-term invest.	222,000	65,000
Divestiture proceeds	855,000	—
Accts. receiv., net	1,201,000	906,000
*Inventories	1,418,000	819,000
Rental vehicles	846,000	—
Other curr. assets	375,000	101,000
Current Assets	$ 5,043,000	$ 1,958,000
Investments	246,000	75,000
#Fixed assets	2,198,000	1,559,000
Unallocated purch. cost	1 924,000	—
Other assetss	285,000	131,000
Intangibles	683,000	741,000
Total Assets	$ 10,379,000	$ 4,464,000

Liabilities
(000's)

Long-term debt, curr. & short-term debt	$ 2,108,000	$ 2 12,000
Accts. payable	1,020,000	583,000
Accruals	1,304,000	470,000
Curr. Liabilities	$ 4,432,000	$ 1,265,000
Long-term debt	2,587,000	779,000
Other liabilities	549,000	176,000
Minority interest	80,000	57,000
Deferred inc. taxes	374,000	159,000
+ Preferred stock:		
Series A cum. convert.	168,000	194,000
Convert. Adjust.	75,000	—
+ Common stock	189,000	189,000
Add. paid-in capital	180,000	178,000
Retained earnings	2,304,000	2,005,000
Treasury stock	(344,000)	(353,000)
For curr. tran. adjust.	(215,000)	(185,000)
Total Liabilities & Shareholders' Equity	$ 10,379,000	$ 4,464,000

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.65	8.61
%Net Income to Sales	3.80	4.64
%Net Income to Equity	20.32	21.35
Sales to Inventories	8.88	11.39
Working Capital	$611,000,000	$693,000
Current Ratio	1.14	1.55
Shareholders' Equity	$2,357,000,000	$2,028,000,000

Becton Dickinson and Company

Mack Centre Drive
Paramus, New Jersey 07652
(201) 967-3700

Officers: Wesley J. Howe, chairman of the board, president & chief exec. officer; Photios T. Paulson, exec. v.p. & chief operating officer; Henry P. Becton, vice chairman; Raymond V. Gilmartin, sr. v.p.; Robert G. Butler, secretary; Robert W. Alpers, v.p.-manufacturing services; Robert P. Denise, v.p. & treasurer; John W. Galiardo, v.p. & general counsel; Donald S. Hetzel, v.p.-research & development; Mark H. Borofsky, v.p.-taxes; Edward D. Lundy, v.p.-organization, planning & development; Edward R. Duffie, Jr., v.p.-medical affairs; E. Ralph Biggadike, v.p.-planning & development; Wilson Nolen, Nagesh S. Mhatre, Clateo Castellini, v.p.'s; Robert A. Reynolds, v.p. & controller; James W. Hulse, v.p.-quality and regulatory affairs; C. Edward Snyder, v.p.-human resources; Richard F. Carey, James S. Burns, Herbert B. Morote, Bruce B. Hickox, Franklin J. Iris, group presidents.

Directors: Wesley J. Howe*, chairman; Henry P. Becton*, vice chairman; Harry N. Beaty, M.D., Raymond V. Gilmartin, Robert W. Haack, Richard W. Hanselman, William B. Macomber, Frank A. Olsen, Photios T. Paulson, Gerald M. Edelman, Fred R. Sullivan, Raymond S. Troubh*.

* Member of the Executive Committee.

Areas of Work: The Company manufactures a broad range of medical, diagnostic and industrial safety products for use by the medical profession, industry and the general public.

Divisions and Subsidiaries:

BBL Microbiology Systems
250 Schilling Circle
Cockeysville, Maryland 21030
Develops tests for infectious diseases.

Bard-Parker
2 Bridgewater Lane
Lincoln Park, New Jersey 07035

Becton Dickinson FACS
490 B Lakeside Drive
Sunnyvale, California 94086
(408) 738-8558

Manufactures fluorescence-activated cell sorter systems which include an analysis console with microprocessor and keyboard.

Becton Dickinson Immunodiagnostics
Mountain View Avenue
Orangeburg, New York 10962
(914) 359-2700

Manufactures automated radioimmunossay equipment which is used to detect the presence of extremely small quantities of minute substances.

Becton-Dickinson
Rutherford, New Jersey 07070

Becton-Dickinson Consumer Products
365 West Passaic Street
Rochelle Park, New Jersey 07662

Becton-Dickinson Laboratory Systems
333 Littleton Road, Suite 101
Parsippany, New Jersey 07054

Becton-Dickinson Labware
1950 Williams Drive
Oxnard, California 93030

Becton-Dickinson Monoclonal Center, Inc.
2375 Garcia Avenue
Mountain View, California 94043

Becton-Dickinson Pharmaceutical Systems
Rutherford, New Jersey 07070

Digitran
3100 New York Drive
Pasadena, California 91107
(213) 449-3110

Produces digital switches used in instrument panels.

Endevco Corporation
Rancho Viejo Road
San Juan Capistrano, California 92675
(714) 493-8181

Produces electronic test equipment to measure and monitor shock, vibration, force, pressure, acceleration and acoustic emissions.

Becton-Dickinson Research Center
Davis Drive
Research Triangle Park, North Carolina 27709

Becton-Dickinson VACUTAINER Systems
Mahoney Troast Building
Route 17 North
Rutherford, New Jersey 07070

Becton-Dickinson International Sales
Mack Center Drive
Paramus, New Jersey 07652

Clay Adams Laboratory Systems
299 Webro Road
Parsippany, New Jersey 07054

Develops equipment for hematology analysis.

Edmont
1300 Walnut Street
Coshocton, Ohio 43812

Produces personal safety wearing apparel primarily for automobile and construction industries.

Ivers-Lee
147 Clinton Road
West Caldwell, New Jersey 07006

Provides packaging services to pharmaceutical, cosmetics and toiletry companies.

Becton-Dickinson Overseas, Inc.
Becton-Dickinson Asia Pacific
Shimato Building
5-34, Akaska 8-Chome
Minato-Ku
Tokyo 107, Japan

Becton-Dickinson Europe
Pre Pichat
5. Chemin de[illegible]ources
38240 Meylan, France

Becton-Dickinson VACUTAINER Systems-Europe
Becton-Dickinson Laboratory Products-Europe
Becton-Dickinson Medical Products-Europe
All at:
Pre Pichat
5. Chemin des Sources
38240 Meylan, France

Becton-Dickinson Latin America
Mack Centre Drive
Paramus, New Jersey 07652

Transfer Agent(s):
Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: BDX

Number of Employees:

1984	17,700	1981	21,500
1983	19,100	1980	20,600
1982	21,200		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,126,845	$ 63,403
1983	1,119,520	35,930
1982	1,113,921	76,692
1981	1,066,093	75,863
1980	942,031	64,694

	No. of Com. Shares ‡	Earn. per Share ‡
1984	21,227,000	$ 3.03
1983	21,573,000	1.71
1982	21,437,000	3.63
1981	21,378,000	3.61
1980	21,037,000	3.14

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Medical	$ 668,757	$ 685,275
Laboratory	260,828	264,234
Industrial safety	197,260	170,011
	$ 1,126,845	$ 1,119,520

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.1625	—	—
1983	1.15	—	—
1982	1.10	—	—
1981	1.00	—	—
1980	0.92	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share +
1984	$ 606,775	$ 30.05
1983	597,710	28.80
1982	584,360	28.42
1981	565,896	27.85
1980	499,214	24.91

+ Based on the average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 1,126,845	$ 1,119,520
Cost of sales	628,717	650,443
Expenses	392,117	387,760
Interest expense	22,757	32,511
Interest income	(23,824)	(17,211)
Other expense	14,170	32,365
Income before taxes	$ 92,908	$ 33,652
Income taxes (credit)	29,505	(2,278)
Net Income	$ 63,403	$ 35,930

* Included in Costs and Expenses, Depreciation and Amortization: $59,127,000 in 1984 and $56,151,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 9,454	$ 4,294
Investments	138,665	120,160
Receivables, net	198,991	194,190
*Inventories	165,971	182,649
Deferred income taxes	15,163	23,237
Other curr. assets	37,282	28,751
Current Assets	$ 565,526	$ 553,281
#Fixed assets	431,159	436,674
Other assets	104,462	85,605
Intangibles	28,083	31,045
Total Assets	$ 1,129,230	$ 1,106,605

Liabilities
(000's)

Notes payable	$ 12,614	$ 16,271
Long-term debt, curr.	10,132	8,604
Accts. payable & accruals	135,093	106,443
Accrued payroll	87,955	58,904
Curr. Liabilities	$ 245,794	$ 190,222
Long-term debt	226,531	274,027
Deferred inc. taxes	50,130	44,646
+ Common stock	20,986	20,928
Add. paid-in capital	125,637	123,481
Foreign curr. trans. adj.	(63,566)	(52,514)
Retained earnings	546,232	506,599
Treasury stock	(22,514)	(784)
Total Liabilities & Shareholders' Equity	$ 1,129,230	$ 1,106,605

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Incôme bef. Taxes to Sales	8.24	3.01
%Net Income to Sales	5.63	3.21
%Net Income to Equity	10.45	6.01
Sales to Inventories	6.79	6.13
Working Capital	$319,732,000	$363,059,000
Current Ratio	2.30	2.91
Shareholders' Equity	$606,775,000	$597,710,000

Beehive International

4910 Amelia Earhart Drive
Box 25668
Salt Lake City, Utah 84125
(801) 355-6000

Beehive International, Ltd. and
Beehive Ireland Ltd.
Rathealy Road, Fermoy, County Cork Ireland

NOTE: Effective 4/1/81, the shares of Beehive International (International) were paired with the shares of Beehive International Ltd. (Beehive, Ltd.).

Beehive International

Officers (International): Eugene H. Frink, Jr., chairman of the board; Warren B. Clifford, president & chief executive officer; Joseph F. Carbone, Jr., v.p.-operations; B. Carl Lee, v.p. & chief financial officer; John P. McGlone, v.p.-sales; Randall L. Romrell, corporate secretary & general counsel; Ruben S. Longwell, v.p.-advanced marketing & product planning; David B. Day, v.p.-engineering.

Officers (Beehive, Ltd.): Eugene H. Frink, Jr., chairman of the board; Warren B. Clifford, president & chief executive officer; David Walsh, v.p. & chief operating officer; Randall L. Romrell, corporate secretary & general counsel; B. Carl Lee, v.p. & chief financial officer.

Directors (International): Eugene H. Frink, Jr., chairman; Warren B. Clifford, D. William Clifford, Douglas R. Cook, James S. Hooper, James P. Johnson, Donald G. McQuarrie, Allison F. Page, C. Grant Wilkins.

Directors (Beehive, Ltd.): Eugene H. Frink, Jr., chairman; Warren B. Clifford, Robert Annable, Louis Gragg, C. Grant Wilkins, Chester E. Shepperly.

Areas of Work (International): Engaged in the design, development, manufacture and service of customized "smart" video display computer terminals.

Areas of Work (Beehive, Ltd): Through its Irish subsidiary, Beehive Ireland, Ltd., manufactures and sells, under license from Beehive, certain of Beehive's video display computer terminals.

Subsidiary (International):

Beehive Europe, Inc. (DISC)
Gebouw 70, Kamer 134, 1117 AA Schipol
Amsterdam, The Netherlands

Lifestyle Products, Inc.

Subsidiaries (Beehive, Ltd.):

Video Data Systems, GmbH (80% owned)
Beethovenstrasse 26
6455 Erlensee
West Germany

Transfer Agent(s):

Manafactures Hanover Trust of California
San Francisco, California 94144

Stock Exchange(s): American

Ticker Symbol: BHI

Number of Employees:

1983	532	1980	379
1982	NA	1979	358
1981	450		

Plant Footage:

	International	Behive, Ltd.
1983	174,000 sq. ft.	52,000 sq. ft.
1982	N.A.	N.A.
1981	142,303	—

N.A.-Not Available.

Sales and Earnings

	Net Revenues +	Net Income †
1983	$ 29,047,000	$ (1,886,000)
1982	28,022,000	(768,103)
1981	39,286,000	4,121,789
1980	33,110,000	2,218,692
1979	24,351,000	1,277,315

	No. of Com. Shares #	Earn. per Share † #
1983	3,070,950	$ —
1982	3,036,853	—
1981	2,794,260	1.48
1980	2,535,430	0.88
1979	2,518,880	0.51

(Loss)
+ Of continuing operations only.
† Including extraordinary gains of $313,473 ($0.12 per share) in 1980 and $455,000 ($0.18 per share) in 1979.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1983	$ 15,635,000	$ 5.01
1982	17,254,052	5.68
1981	17,976,947	6.43
1980	7,415,645	2.92
1979	5,098,613	2.02

† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1983	1982
Net sales	$ 29,006,000	$ 27,185,000
Other income	41,000	837,000
Total income	$ 29,047,000	$ 28,022,000
Cost of sales	18,737,000	16,661,000
Expenses	12,664,000	10,883,000
Interest expense	113,000	274,000
For curr. gain	(48,000)	(132,000)
Income (loss) before taxes	$ (2,419,000)	$ 336,000
Income taxes (credit)	(2,540,000)	238,000
Inc.-cont. oper.	$ 121,000	$ 98,000
Loss-discont. oper.	(2,007,000)	(866,000)
Net Loss	$ (1,886,000)	$ (768,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,496,000 in 1983 and $1,172,000 in 1982.

Assets

As of Sept. 30	1983	1982
Cash	$ 393,000	$ 1,060,000
Short-term invest.	904,000	1,051,000
Accts. receiv., net	5,395,000	5,239,000
*Inventories	6,078,000	6,091,000
Grant receivable	—	316,000
Prepaid expenses	359,000	183,000
Income tax receivable	2,655,000	146,000
Deferred income tax	—	243,000
Current Assets	$ 15,784,000	$ 14,329,000
#Fixed assets	9,575,0004	7,967,000
Assets of discont. oper.	1,836,000	3,211,000
Other assets	1,247,000	870,000
Service stock	716,000	745,000
Total Assets	$ 29,158,000	$ 27,122,000

Liabilities

	1983	1982
Long-term debt, curr.	$ 4,668,000	$ 334,000
Accts. payable	1,978,000	1,746,000
Accruals	1,621,000	1,336,000
Other liab.	27,000	158,000
Income tax payable	24,000	—
Curr. Liabilities	$ 8,318,000	$ 3,574,000
Long-term debt	2,987,000	2,487,000
Liab. of discont. oper.	1,511,000	2,927,000
Deferred income tax	707,000	879,000
+ Beehive common stock	62,000	62,000
+ Beehive, Ltd. com stock	62,000	62,000
Add. paid-in capital	11,538,000	11,246,000
Retained earnings	4,354,000	6,240,000
Treasury stock	(21,000)	(358,000)
Receiv. from empl.	(374,000)	—
Cum. trans. adj.	14,000	3,000
Total Liabilities & Shareholders' Equity	$ 29,158,000	$ 27,122,000

* At lower of standard cost or market.
# Less accumulated depreciation and amortization.
+ $0.02 par value.

Statistical Summary

Sales to Inventories	4.77	4.46
Working Capital	$ 7,466,000	$10,755,000
Current Ratio	1.90	4.01
Shareholders' Equity	$15,635,000	$17,255,000

Bel Fuse Inc.

198 Van Vorst Street
Jersey City, New Jersey 07302
(201) 432-0463

Officers: Elliot Bernstein, president; Howard Bernstein, vice president & treasurer; Daniel Bernstein, v.p.-operations; Arnold Sutta, v.p.-marketing; Robert Simandl, secretary.

Directors: Elliot Bernstein, Howard Bernstein, Robert Simandl, Sidney Faber, Seymour Offerman, Peter Loh, Joel Wiener.

Areas of Work: Manufactures electronic components for the home entertainment and data processing equipment markets. Products include chemical fuses, circuit breakers, special protective devices, spark gaps, delay lines, and special coil products.

Subsidiaries:

Bel Fuse Ltd.
1-C Middle Road
Hankow Centre
Kowloon, Hong Kong

Bel Fuse Macao Limeted
Fabrica G-1, Do Andar,
Do Predio Comos
Nos. 169-169A
Av. Almirante Lacerda
Macao

Bel Components Ltd
Star House
3 Salisbury Road
Kowloon, Hong Kong

Transfer Agent(s):

First Jersey National Bank
Jersey City, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BELF (NASDAQ)

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 26,274,592	$ 4,765,009
1983	18,437,377	3,436,149
1982	12,399,195	1,213,454
1981	10,222,802	357,176
1980	9,711,764	406,813

	No. of Com. Shares #	Earn. per Share #‡
1984	4,729,811	$ 1.01
1983	3,982,306	0.86
1982	3,925,320	0.31
1981	3,925,320	0.09
1980	3,928,940	10

‡ Including extraordinary gains of $18,000 in 1983 and $45,000 ($0.01 per share) in 1982.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Divend	Stock Split
1984	—	—	2-for-1
1983	—	—	5-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 16,842,934	$ 3.56
1983	12,027,831	3.02

1982	4,217,156	1.07
1981	3,003,702	0.77
1980	2,646,526	0.67

Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 26,274,592	$ 18,437,377
Cost of sales	14,845,613	10,094,550
Expenses	5,808,700	4,203,320
Other income	(411,154)	(88,418)
Interest expense	128,728	37,776
Eq. in earn. of assoc. co.	(6,264)	—
Income before taxes	$ 5,909,009	$ 4,190,149
Income taxes	1,144,000	772,000
Net Income	$ 4,765,009	$ 3,418,149
Extraordinary credit	—	18,000
Net Income & extraordinary credit	$ 4,765,009	$ 3,436,149

* Included in Costs and Expenses. Depreciation and Amortization: $751,347 in 1984 and $293,046 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 6,213,933	$ 5,447,124
Accts. receiv., net	2,763,788	2,682,825
*Inventories	3,551,606	3,145,849
Prepaid expenses	119,845	161,225
Due from officers	—	72,633
Deferred income taxes	155,000	18,000
Current Assets	$ 12,804,172	$ 11,527,656
#Fixed assets	6,972,943	2,406,212
Other assets	144,634	152,030
Invest. in assoc. co.	227,679	—
Total Assets	$ 20,149,428	$ 14,085,898

Liabilities

	1984	1983
Long-term debt, curr.	$ 182,682	$ —
Accts. payable	460,383	781,808
Accruals	716,651	582,386
Due to officer	125,000	—
Income taxes	668,730	607,873
Curr. Liabilities	$ 2,153,446	$ 1,972,067
Long-term debt	875,048	—
Deferred inc. taxes	278,000	86,000
+ Common stock	480,310	477,447
Add. paid-in capital	4,359,079	4,311,848
Retained earnings	12,012,377	7,247,368
Treasury stock	(8,832)	(8,832)
Total Liabilities & Shareholders' Equity	$ 20,149,428	$ 14,085,898

* At lower of cost (weighted average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	22.49	22.73
%Net Income to Sales	18.14	18.54
%Net Income to Equity	28.29	28.42
Sales to Inventories	7.40	5.86
Working Capital	$10,650,726	$ 9,555,589
Current Ratio	5.95	5.85
Shareholders' Equity	$16,842,934	$12,027,831

Bell & Howell Company

5215 Old Orchard Road
Skokie, Illinois 60077-1076
(312) 470-7100

Officers: Donald N. Frey, chairman of the board & chief executive officer; Robert B. Huff, president & chief operating officer; Gerald Sch[illegible] executive v.p.; Gary D. Eisenberger, Dexter P. Cooper, W. James Donaldson, David T. Jones, George E. Marton, Richard L. Miller, Gary W. Ampulski, John B. Kambanis, vice presidents; Eugene F. Sikorovsky, v.p. & gen. counsel; Jerome B. Herb, controller; Philip P. Haag, Joseph S. Secker asst. controller's; William A. Roper, treasurer; Patrick J. Graver, Jeanne E. Truex, Richard O. Becker, asst. secretaries.

Directors: Donald N. Frey, chairman; Stanley E.G. Hillman, J. Herbert Holloman, Robert B. Huff, James J. O'Connor, Theodore Operhall, Joseph B. Platt, Peter G. Scotese, Henry G. Van der Eb, John F. Mitchell, Gerald E. Schultz, James J. Gavin Jr., Robin B. Smith.

Areas of Work: Operating divisions are grouped in two lines of business: Specialized Business Equipment, and Learning Systems & Materials, and Specialized Business Equipment, the largest division includes microfilm products and service, microfiche, computer output microfilm (COM), mail handling systems, remittance processing, professional film printers and duplicators. Learning Systems offer teaching material, text books, eight institutes of technology, video-cassettes and projectors.

Divisions and Subsidiaries:

MICROIMAGERY GROUP

Administrative Offices
6800 McCormick Road
Chicago, IL 60645-2797
(312) 675-7600

COM Products Division
16691 Hale Avenue
Irvine, CA 92714-5047
(714) 660-1050

COM equipment, processors, duplicators and consumable supplies.

Micro Design Division
857 West State Street
Hartford, WI 53027-1063
(414) 673-3920

Micrographic readers and reader/printers; also distributes related supplies and accessories.

Microfilm Products Division
6800 McCormick Road
Chicago, IL 60645-2797
(312) 675-7600

Instant imaging microfilm systems, microfilm recorders with microprocessor logic, Microx systems, data search microfilm and retrieval systems, jacket filing systems, micromanagement, microfilm and microfiche readers and reader/printers, microfilm cameras, customer service.

Micro Photo Division
Old Mansfield Road
Wooster, OH 44691-9050
(216) 264-6666

Microfilm and microfiche systems for industry and education. Micro publisher of information products including newspapers, periodicals, indexes, directories, career guidance. Production facilities also in New Jersey and Puerto Rico.

Enbee Transparent Specialty Co.
31-35 31st Street
Astoria, New York 11106
(212) 672-9000

Photo album inserts.

NB Jackets de Puerto Rico
Road #1 K.M. 33.5
P.O. Box 1151
Caguas, Puerto Rico 00625
(809) 744-9397

Microfilm jackets.

BUSINESS EQUIPMENT GROUP

Administrative Offices
6800 McCormick Road
Chicago, IL 60645-2797
(312) 675-7600

Business Data Products Division
Administrative & Sales Office
2720 Des Plaines Ave., Suite 106
Des Plaines, IL 60018-4135
(312) 297-1225

Operations & Service
5000 Rivergrade Road
P.O. Box 9100
Baldwin Park, Calif. 91706-0991
(818) 814-2355

Remittance processing systems.

DocuMail Systems Division
Administration & Operations
7100 McCormick Road
Chicago, IL 60645-2793
(313) 673-3300

U.S.P.S. Engineering & Service
9801 Industrial Blvd.
Lenexa, Kansas 66215-1293
(913) 888-8775

Sorters for the U.S. Postal Service; sorters & letter openers (commercial).

Phillipsburg Division
Administration, Sales & Service
2300 Brummel Place
Evanston, IL 60202-3612
(312) 475-6100

Operations:

P.O. Box 186
Rt. 2
Phillipsburg, NJ 08865-0186
(201) 859-1777

2300 Brummel Place
Evanston, IL 60202-3612
(312) 475-6100

Mailmobile Sales & Service
411 E. Roosevelt Street
Zeeland, MI 49464-9719
(616) 772-1000

Mail addressing, inserting, labeling, weighing equipment; sorters & letter openers (commercial) and Mailmobile unmanned delivery vehicles.

VISUAL COMMUNICATIONS GROUP

Administration & Operations
7100 McCormick Road
Chicago, IL 60645-2793
(312) 673-3300

Audiovisual Products--audio tape recorders, RingMaster slide/sound projectors, overhead projectors, Language Master systems and software, 16mm projectors, Micro-Visual Products--microcomputer systems and software for computer-aided instruction, training and education.

CHARLES E. MERRILL PUBLISHING DIVISION

Administrative Offices & Publishing Center
936 Eastwind Drive
Westerville, Ohio 43081-3329
(614) 890-1111

Fulfillment Center
1300 Alum Creek Drive
Columbus, Ohio 43216-0508
(614) 258-8441

West Coast Fulfillment Office
833 N. Market Boulevard
Sacramento, California 95834-1205
(916) 924-3227/3228

Publisher of elementary, high school and college textbooks and educational test materials.

DeVRY INC.

Administrative Offices
2201 W. Howard Street
Evanston, IL 60202-3698
(312) 328-8100

Resident training in electronics engineering technology and computer science for business.

BELL & HOWELL/COLUMBIA PICTURES VIDEO SERVICES

Administrative Offices
625 Landwehr Road
Northbrook, IL 60062-2373
(312) 480-6900

Editel
301 E. Erie St.
Chicago, IL 60611
(312) 440-2360

222 E. 44th Street
New York, NY 10017
(212) 867-4600

729 N. Highland Ave.
Hollywood, CA 90038
(213) 931-1821
Video post production.

Tandy/Bell & Howell Home Video (T/B&H)
3055 MacArthur Boulevard
Northbrook, IL 60062-2373
(312) 272-3944
Video cassettes.

Video Systems Division
720 Landwehr Road
Northbrook, IL 60062-2373
(312) 291-1150
Video duplication.

Video Systems Division
West Duplicating
354 Coral Circle
El Segundo, CA 90245-4678
(213) 640-3430
Video duplication.

EUROPEAN REGION

Bell & Howell Ltd.
European Region Headquarters
AV/Video Division Administration
Alperton House
Bridgewater Road
Wembley, Middlesex HAO 1EG, England
(London) 902-8812
AV/Video.

Bell & Howell Ltd.
Business Equipment Division
33-35 Woodthorpe Road
Ashford, Middlesex TW15 2RJ England
(Ashford) 51234
Microimagery and business equipment (BED).

Bell & Howell AB
Grensveien 73
Oslo 6, Norway
(Stockholm) 98 1250
AV/Video.

Bell & Howell AB
Vintergaten 1
S-17230 Sundyberg, Sweden
(Stockholm) 98 1250
AV/Video.

Bell & Howell Benelux NV
321, Leuvensesteenweg
B-1940 St. Stevens
Woluwe/Zaventem, Belgium
(Brussels) 720 92 75 (BED, AV/Video)
(Brussels) 720 92 78 (NB Jackets)

Bell & Howell France, SA
32-34 Rue Fernand-Pelloutier
92112 Clichy Cedex, France
(Paris) 270 9480
AV/Video, BED.

Bell & Howell GmbH
Gruener Weg 8
6360 Friedberg/Hessen
West Germany
(Friedberg) 496-031-871
Phillipsburg systems and electronic devices.

Bell & Howell Italia SpA
Via Barnaba Oriani, 22/4
20156 Milan, Italy
011-39-2-30-10-141 or 2-30-6-841
AV/Video.

Bell & Howell Ltd. England, Dansk Filial
Oliefabriksveg 29.43
DK-2770 Kastrup, Denmark
(Copenhagen) 523355
AV/Video.

Bell & Howell Mfg. S.A.

Coolock, Dublin 5, Ireland
(Dublin) 472-311
Microfilm readers, overhead projectors.

Bell & Howell Micromedia Division
Telford Road, Launton Industrial Estate
Bicester, Oxon OX6 OUP
(Bicester) 45711, England
Micropublishing products.

Bell & Howell Vertriebs AG
Lindstrasse 24
CH-8400
Winterthur, Switzerland
(Winterthur) 232465
AV.

Inter Electronics BV
Nijverheidsstraat 22,
6987 ZG GIESBEEK, Holland
011-31-8336-1841
AV/Video.

T.L. Electronics (Pty) Ltd.
(Holding company for
Micrographix, (Pty) Ltd.)
Corn. Hawken & Arbeid Avenue,
Strydom Park,
P.O. Box 51208, Randburg,
South Africa
(Randburg) 7931169

Micrographix, (Pty) Ltd.
P.O. Box 31239,
101 Juta Street
Braamfontein 2017,
Johannesburg 2001, South Africa
(Johannesburg) 286818
Microimagery, COM.

Pretec Precisie Techniek BV
Kuyperlaan 28
Postbus 53
1160 AB Zwanenburg,
Netherlands
(Zwanenburg) 3652
Mail handling products, microimagery.

Video Zoom Italia SpA
Via Columella 22
20128 Milan, Italy
(Milan) 257 9419
Video tape duplication, post production.

WESTERN INTERNATIONAL GROUP

Administrative Offices
7100 McCormick Road
Chicago, Illinois 60645-2793
(312) 673-3300

AUSTRALIA
Bell & Howell Australia, Pty., Ltd.
P.O. Box 246
55-69 Murray Street
Pyrmont, Sydney, N.S.W.
Australia 2009
011-612-660-5366
Audiovisual (AV), Business Equipment (BEG), and Microimagery (MIG).

CANADA
Bell & Howell Ltd.
230 Barmac Drive
Weston, Ontario, Canada M9L 2X5
(416) 746-2200
AV, Merrill Publishing, MIG, BEG.

LATIN AMERICA AND ASIA PACIFIC
Administration
7100 McCormick Road
Chicago, IL 60645-2973
AV, MIG, BEG.

Bell & Howell Japan Company
5-2 Bldg., 2 Kojimachi 5-chome
Chiyoda-ku, Tokyo 102
Japan
011-813-261-5558
AV, MIG, BEG.

Bell & Howell Systemas, Ltda.
Rua Augusta 1141 Centro
Sao Paulo, S.P., Brazil
011-5511-231-0200
MIG.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
Stock Transfer Department
30 West Broadway
New York, N.Y. 10015

Stock Exchange(s): *New York, Midwest, Pacific.

*Listed and/or traded.

Ticker Symbol: BHW

Number of Employees:

1984	N.A.	1981	11,244
1983	9.508	1980	11,241
1982	11,235		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 713,548,000	$ 33,047,000
1983	679,248,000	41,191,000
1982	611,805,000	(2,930,000)
1981	578,376,000	21,627,000
1980*	524,432,000	26,147,000

	No. of Com. Shares ×	Earn. per Share ‡†
1984	10,871,000	$ 3.04
1983	12,593,910	3.59
1982	11,281,032	—
1981	11,242,008	1.92
1980*	11,209,432	2.32

(Loss)
* 53 weeks.
+ Of continuing operations only.
† Including extraordinary gains of $7,215,000 ($0.63 per share) in 1983, $3,735,000 ($0.33 per share) in 1981 and $7,230,000 ($0.64 per share) in 1980.
× Adjusted to reflect stock split.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Career education	$ 130,900	$ 117,100
Publishing	103,200	82,600
Visual comm. systems	115,700	122,100
Information storage retrieval	214,500	204,700
Document/mail processing	149,100	152,700
Total	$ 713,500	$ 679,200

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.515	—	—
1983	0.49	—	2-for-1
1982	0.48	—	—
1981	0.48	—	—
1980	0.48	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 202,815,000	$ 18.66
1983	207,048,000	16.44
1982	171,739,000	15.22
1981	184,347,000	16.40
1980	173,233,000	15.45

‡ After allowing for preferred stock at liquidation value of $60 per share.
† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 713,548	$ 679,248
Other income	17,644	14,236
Total income	$ 731,192	$ 693,484
Cost of sales	464,371	437,478
Expenses	218,029	202,846
Interest expense	12,125	11,524
Income before taxes	$ 46,667	$ 41,636
Income taxes	12,189	17,002
Minority interest	1,143	—
Inc. from cont. oper.	$ 33,047	$ 24,634
Inc. from discont. oper.	—	9,342
Net Income	$ 33,047	$ 33,976
Extraord. gain	—	7,215
Net Income & extraord. gain	$ 33,047	$ 41,191

* Included in Costs and Expenses. Depreciation: $13,198,000 in 1984 and $11,269,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 78,977	$ 93,281
Accts. receiv., net	128,124	132,962
*Inventories	111,561	96,816
Prepaid expenses	3,838	3,212
Prepaid taxes	18,780	20,238
Current Assets	$ 341,280	$ 346,509
#Fixed assets	107,076	75,206
Investments & other assets	49,238	50,346
Total Assets	$ 497,594	$ 472,061

Liabilities
(000's)

	12/29/84	12/31/83
Notes payable	$ 9,194	$ 23,832
Long-term debt, curr.	3,388	9,415
Accts. payable	42,338	40,184
Accruals	58,890	55,240
Deferred income	51,370	45,450
Income taxes	6,162	10,370
Curr. Liabilities	$ 171,342	$ 184,491
Long-term debt	89,431	43,371
Deferred compens.	10,927	10,753
Deferred inc. taxes	11,625	14,022
Minority interests	8,691	7,234
+ Preferred stock	2,763	5,142
+ + Common stock	15,648	40,343
Add. paid-in capital	16,141	15,181
Retained earnings	191,978	165,915
Cum. trans. adjust.	(20,952)	(14,391)
Total Liabilities & Shareholders' Equity	$ 497,594	$ 472,061

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation.
+ $50 par value; $2.50 Series cumulative convertible.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.54	6.13
%Net Income to Sales	4.63	5.00
%Net Income to Equity	16.08	16.01
Sales to Inventories	6.40	7.02
Working Capital	$169,938,000	$162,018,000
Current Ratio	1.99	1.88
Shareholders' Equity	$205,578,000	$212,190,000

Bell Industries, Inc.

11812 San Vicente Boulevard, Suite 300
Los Angeles, California 90049
(213) 826-6778

Officers: Theodore Williams, chairman of the board & president; Howard B. Franklin, Samuel Essick, sr. v.p.'s; Nathan Landgarten, sr. v.p. & treasurer; Bruce M. Jaffe, sr. v.p.-finance & secretary; Vernon D. Severy, Paul F. Doucette, v.p.'s; Dennis M. Benson, controller & asst. treasurer; D.J. Hough, v.p.

Directors: T.E. Williams*, chairman; Howard B. Franklin*, Bruce M. Jaffe*, Nathan Landgarten*, John J. Cost, Ellis Ring, Milton Rosenberg.

*Member of the Executive Committee.

Areas of Work: Company activities may be classified into the following groups: The Electronics Group is a major distributor of electronic components representing 50 leading electronics manufacturers. The Electronics Group also manufactures computer memory discs and other high precision, close tolerance products for the computer and aerospace industries including basic illumination for aircraft instrumentation, aircraft hydraulic valve sub-assemblies, multi-layered printed circuitry used in space flight and avionic guidance systems, computer hardware components, and electronic components used in communications and other computer applications. The other three operating groups include: The Building Products Group, which is engaged in the distribution of heating, air conditioning, plumbing and solar energy products through eight California facilities; The Motor Vehicle Parts & Accessories Group which stocks spare parts and accessories for motorcycles, recreational vehicles, and mobile homes; and The Graphic Arts Group which distributes film, chemicals and printing equipment in California.

Divisions:

Electronic Distributor Divisions

1161 N. Fair Oaks
Sunnyvale, California 94086
(408) 734-8570

3422 W. Touhy Avenue
Chicago, Illinois 60645
(312) 982-9210

1900 132nd N.E.
Bellevue, Washington 98005
(206) 747-1515

1705 West 4th Street
Tempe, Arizona 86281
(601) 966-7800

8155 West 48th Avenue
Wheatridge, Colorado 80033
(303) 424-1985

3639 West 2150 South
Salt Lake City Utah 84120
(801) 972-6969

306 East Alondra Boulevard
Gardena, California 90247
(213) 515-1800

11728 Linn N.E.
Albuquerque, New Mexico 87123
(505) 292-2700

12322 Monarch Street
Garden Grove, California 92641
(714) 895-7801

500 Giuseppe Court #7
Roseville, California 95678
(916) 969-3100

1829A De Havilland Drive
Thousand Oaks, California 91320
(805) 499-6821

913 West Mound Drive
Waukesha, Wisconsin 53186
(414) 547-8879

6024 Southwest Jean Road
Lake Oswego, Oregon 97034
(503) 241-4115

Illuminated Displays Division
18225 N.E. 76th Street
Redmond, Washington 98052
(206) 885-4353

Graphic Arts Supply Division
4425 Sheila Street
Los Angeles, California 90040
(213) 268-9500

Graphic Arts Supply Division
615 Dado Street
San Jose, California 95131
(408) 946-5100

RV/MH Supplies Division
500 Hardman Ave.
South St. Paul, Minnesota 55075
(612) 450-9020

RV/MH Supplies Division
12775 W. Silver Spring Road
Butler, Wisconsin 53007
(414) 781-1860

J.W. Miller Division
19070 Reyes Avenue
Compton, California 90221
(213) 537-5200

Plumbing Supply Division
7 College Avenue
Santa Rosa, California 95401
(707) 545-7101

Precision Components Division
12605 South Van Ness Avenue
Hawthorne, California 90250
(213) 757-8381

Precision Metalcrafts Division
2637 Marine Way
Mountain View, California 94040
(415) 961-5532

Reliable Steel Supply Co.
740 E. 111th Place
Los Angeles, California 90059
(213) 777-3111

also at:

9707 Aero Drive
San Diego, California 92123
(714) 279-9750

Technical Products Division
3590 W. Third Avenue
Eugene, Oregon 97402
(503) 683-2355

Computer Memory Division
2360 Zanker Road
San Jose, California 95131
(408) 262-5747

Desert Service Division
1375 East Base Line
San Bernadino, California
(714) 884-3103

Cable and Components Division
2599 Garcia Way
Mountain View, California 94043
(415) 960-1440

Graham Electronics Supply, Inc.
133 South Pennsylvania
Indianapolis, Indiana 46204
(317) 634-8202

Electronic Distributor Division
118 Westpark Road
Dayton, Ohio 45459
(513) 434-8231

Transfer Agent(s):

Union Bank
Corporate Trust Department, 11th Floor

Bell Industries, Inc.

3810 Wilshire Boulevard
Los Angeles, California 90010

Union Bank
140 Cedar Street
New York, New York 10006

Stock Exchange(s): New York, Pacific

Ticker Symbol: BI

Number of Employees:

1984	2,300	1981	1,600
1983	2,000	1980	1,800
1982	1,700		

Plant Footage:

1984 . . . . . . 1,174,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1984	$ 312,036,000	$ 11,250,000
1983	224,134,000	6,810,000
1982	204,856,000	7,645,000
1981	191,034,000	7,290,000
1980	186,256,000	8,760,000

	No. of Com. Shares #	Earn. per Share #
1984	5,099,000	$ 2.21
1983	4,548,000	1.50
1982	4,495,000	1.70
1981	4,408,000	1.65
1980	4,379,000	2.00

# Based on the average number of shares and common share equivalents outstanding.

Revenues By Line of Business

	1984 (000's)	1983 (000's)
Electronics	$ 120,659	$ 140,483
Transportation products	21,997	21,704
Residential products	38,245	34,885
Graphic arts	23,955	27,062
Total	$ 204,856	$ 224,134

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.24	—	—
1982	0.24	—	—
1981	0.24	—	—
1980	0.21	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 96,939,000	$ 18.33
1983	63,515,000	14.13
1982	56,916,000	12.84
1981	49,538,000	11.33
1980	42,734,000	9.88

† Based on the average number of shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 312,036	$ 224,134
Cost of sales	228,378	162,321
Expenses	59,806	47,574
Interest expense	1,671	1,722
Income before taxes	$ 22,181	$ 12,517
Income taxes	10,931	5,707
Net Income	$ 11,250	$ 6,810

* Included in Costs and Expenses, Depreciation and Amortization: $3,545,000 in 1984 and $2,997,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash	$ 4,251	$ 1,406
Short-term invest.	3,000	—
Accts. receiv., net	43,725	34,396
*Inventories	67,799	51,540
Prepaid expenses	547	266
Current Assets	$ 119,322	$ 87,608
#Fixed assets	19,552	18,771
Other assets	7,276	7,281
Total Assets	$ 146,150	$ 113,660

Liabilities
(000's)

	1984	1983
Accts. payable	$ 22,145	$ 16,080
Accruals	7,065	5,723
Dividends payable	423	270
Long-term liab., curr.	1,032	1,036
Income taxes	2,434	1,041
Curr. Liabilities	$ 33,099	$ 24,150
Notes, mortg., deben.	11,728	22,619
Deferred comp.	3,948	3,317
Deferred inc. taxes	436	59
+ Common stock	1,322	1,124
Add. paid-in capital	28,854	5,250
Retained earnings	66,763	57,141
Total Liabilities & Shareholders' Equity	$ 146,150	$ 113,660

* At lower of cost (FIFO) or market (net realizable value).
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.11	5.58
%Net Income to Sales	3.61	3.04
%Net Income to Equity	11.61	10.72
Sales to Inventories	4.60	4.35
Working Capital	$86,223,000	$63,458,000
Current Ratio	3.61	3.63
Shareholders' Equity	$96,939,000	$63,515,000

Bio-Rad Laboratories, Inc.

2200 Wright Avenue
Richmond, California 94804
(415) 234-4130

Officers: David Schwartz, president; James Bennett, v.p.-Diagnostics Group; Burton A. Zabin, v.p.-Research Products Group; Peter V. Leigh, controller; Gregory K. Hinckley v.p.-finance; Warren R. Howell, v.p.-analytical instruments group; Guy Gerard, v.p.-European Operations; Norman Schwartz, treasurer.

Directors: James J. Bennett, Howard Foster, Albert J. Hillman, Philip L. Padou, Alice N. Schwartz, David Schwartz, Burton A. Zabin.

Areas of Work: Engaged in the development, manufacture and marketing of products used for the analysis of complex chemical mixtures into their individual components and to provide qualitative and quantitative information on each component. Products are used in a broad range of applications including research, manufacturing process and quality control and in the clinical and medical diagnosis of organic and metabolic disturbances in humans. The company also publishes spectral reference data used in research and industry.

Divisions and Subsidiaries:

Block Research and Engineering Division
Cambridge, Massachusetts

Chemical Division
Richmond, California

Clinical Division
Richmond, California

Digilab Division
Cambridge, Massachusetts

Environmental Chemical Specialties Division
Anaheim, California

Sadtler Research Laboratories Division
Philadelphia, Pennsylvania

Oppthalmic Division
Cambridge, Massachusetts

Bio-Rad Laboratories, Ges.m.b.H.
Vienna, Austria

Bio-Rad Laboratories
Brussels, Belgium

Bio-Rad Laboratories (Canada) Ltd.
Mississauga, Canada

Bio-Rad Laboratories Ltd.
Polaron Equipment Limited
Watford, England

Bio-Rad Laboratories B.V.
Utrecht, The Netherlands

Bio-Rad Laboratories S.R.L.
Milan, Italy

Bio-Rad Laboratories AG
Zurich, Switzerland

Bio-Rad Laboratories GmbH
Munich, West Germany

Bio-Rad Laboratories Pty., Limited
Sydney, Australia

Elfiplast S.R.I
Milan, Italy

Nippon Bio-Rad Laboratories (Japan) K.K.
Digilab (Japan) K.K.
Tokyo, Japan

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): American

Ticker Symbol: Class A common stock: BIO A; Class B common stock: BIO B.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 84,638	$ 1,800
1983	65,869	58
1982	53,190	1,162
1981	50,341	2,011
1980	46,085	1,863

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,859,000	$ 0.63
1983	2,844,000	0.02
1982	2,830,000	0.41
1981	2,868,000	0.70
1980	2,725,000	0.68

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business

	1984	1983
Research products	$ 34,991,000	$ 28,189,000
Diagnostic products	21,203,000	19,561,000
Analytical instrumentation	28,444,000	18,119,000
Total	$ 84,638,000	$ 65,869,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 18,922,000	$ 6.62
1983	17,068,000	6.00
1982	16,881,000	5.97
1981	15,397,000	5.37
1980	13,676,000	5.02

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 84,638,000	$ 65,869,000
Cost of sales	40,777,000	30,994,000
Expenses	40,228,000	33,336,000
Interest expense	3,987,000	3,215,000
Invest. loss (inc.)	27,000	(2,358,000)
Gain on property condemn.	(3,401,000)	—
Litigation award	(2,604,000)	—
Gain on sale	(1,877,000)	—
Reserve for invest.	(4,188,000)	513,000
Other expense	393,000	114,000
Income before taxes	$ 2,920,000	$ 55,000
Income taxes (credit)	1,120,000	(3,000)
Net Income	$ 1,800,000	$ 58,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,002,000 in 1984 and $1,680,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 878,000	$ 1,616,000
Accts. receiv., net	18,779,000	13,308,000
*Inventories	19,347,000	15,954,000
Other assets	10,082,000	6,134,000
Current Assets	$ 49,086,000	$ 37,012,000
#Fixed assets	11,763,000	16,215,000
Market securities	2,571,000	7,568,000
Investments	—	551,000
Other assets	2,994,000	1,291,000
Total Assets	$ 66,414,000	$ 62,637,000

Liabilities

	1984	1983
Notes payable & long-term debt. curr.	$ 6,994,000	$ 4,590,000
Accts. payable	4,620,000	4,115,000
Accrued inc. taxes	602,000	455,000
Other liabilities	7,204,000	5,995,000
Curr. Liabilities	$ 19,420,000	$ 15,155,000
Long-term debt	26,959,000	29,009,000
Deferred inc. taxes	1,113,000	1,405,000
+ Common stock	2,867,000	2,837,000
Add. paid-in capital	4,524,000	4,305,000
Retained earnings	11,531,000	9,926,000
Total Liabilities & Shareholders' Equity	$ 66,414,000	$ 62,637,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.45	0.08
%Net Income to Sales	2.13	0.09
%Net Income to Equity	9.51	0.34
Sales to Inventories	4.37	4.13
Working Capital	$29,666,000	$21,857,000
Current Ratio	2.53	2.44
Shareholders' Equity	$18,922,000	$17,068,000

The Birtcher Corporation

4501 North Arden Drive
El Monte, California 91731
(213) 575-8144

Officers: Ernest V. Jarvis, chairman of the board; Francis J. Kelly, Jr., president; Philip R.A. Hardaker, v.p.-international sales; Eugene P. Lamb, v.p.-special assignments; George W. Koenig, v.p.-finance, secretary & treasurer; Roger L. Oosten, v.p. & dir.-electrosurgery products; Melvin W. Caquelin, v.p.-engineering; Herbert S. Cover, v.p.-medical sales & merchandising; Hyrum T. Jarvis, asst. treasurer; E.V. Jarvis, Jr., asst. secretary.

Directors: Ernest V. Jarvis, chairman; Arthur C. Beall, Jr., Hymen P. Chalmers, Alfred C. Ingersoll, Hyrum T. Jarvis, John P. Preston, Francis J. Kelly, Jr., Arthur Wirth.

Areas of Work: Develops and manufactures medical electronic instruments and electronic hardware.

Divisions and Subsidiaries:

Medical Products
Manufactures and distributes medical electronic instruments for cardiac monitoring, surgery and physical therapy.

General X-Ray Corporation
Manufactures portable X-ray equipment.

Transfer Agent(s):

Bank of America
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BIRT (NASDAQ)

Sales and Earnings

	Revenues +	Net Income ‡
1984	$ 10,270,000	$ 3,413,980
1983	7,104,000	(761,523)
1982	6,643,000	(273,821)
1981	5,562,000	572,636
1980	5,214,000	598,018

	No. of Com. Shares	Earn. per Share ‡#
1984	2,049,853	$ 1.65
1983	2,049,253	—
1982	2,056,187	—
1981	2,053,921	0.28
1980	1,959,278	0.31

(Loss)
+ Of continuing oprations only.
‡ Including extraordinary gain of $380,000 ($0.19 per share) in 1984.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 6,590,539	$ 3.22
1983	3,173,747	1.55
1982	3,969,125	1.93
1981	4,203,990	2.05
1980	3,358,065	1.71

Income Account *

Year ended Dec. 31	1984	1983
Revenues	$ 7,137,289	$ 5,905,961
Cost of sales	4,597,752	4,291,057
Expenses	3,998,414	3,412,510
Interest expense	183,868	179,749
Loss before taxes	$ (1,642,745)	$ (1,977,355)
Tax credit	(780,000)	(896,000)
Loss - cont. oper.	$ (862,745)	$ (1,081,355)
Inc. - discont. oper.	3,896,725	319,832
Net Income (Loss)	$ 3,033,980	$ (761,523)
Extraord. gain	380,000	—
Net Income (Loss) & extraord. gain	$ 3,413,980	$ (761,523)

* Included in Costs and Expenses, Depreciation and Amortization: $137,917 in 1984 and $201,836 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 392,081	$ 234,911
Marketable securities	3,745,917	—
Accts. receiv., net	1,228,687	1,800,053
Refundable inc. taxes	732,469	44,000
*Inventories	3,354,269	2,845,722
Prepaid expenses	131,108	101,728
Prepaid taxes	276,194	228,194
Current Assets	$ 9,860,725	$ 5,254,608
#Fixed assets	369,484	451,653
Assets of discont. oper.	—	1,335,432
Other assets	39,433	62,723
Total Assets	$ 10,269,642	$ 7,104,416

Liabilities

	1984	1983
Notes payable	$ 300,000	$ 850,000
Long-term debt, curr.	9,388	425,594
Accts. payable	1,101,136	712,992
Accrued payroll	319,720	475,303
Other liabilities	260,177	17,439
Inc. taxes payable	1,605,000	—
Curr. Liabilities	$ 3,595,421	$ 2,481,328
Long-term debt	83,682	1,449,341
+ Capital stock	2,049,853	2,049,253
Add. paid-in capital	1,441,583	1,439,371
Retained earnings (deficit)	3,099,103	(314,877)
Total Liabilities & Shareholders' Equity	$ 10,269,642	$ 7,104,416

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Net Income to Equity	46.04	—
Working Capital	$6,265,304	$2,773,280
Current Ratio	2.74	2.12
Shareholders' Equity	$6,590,539	$3,173,747

Bishop Graphics, Inc.

5388 Sterling Center Drive
P.O. Box 5007
Westlake Village, California 91359
(818) 991-2600

Officers: Martin J. Salvin, chairman of the board, & president; Lawrence A. Peacock, v.p. & general mgr.-Printed Circuit Design Products Div.; Robert Meisterling, v.p.-marketing services; Gordon L. Almquist, controller & treasurer; Rubin M. Turner, secretary; Marguerite Devereaux, asst. secretary.

Directors: Martin J. Salvin, chairman; Morton Kay, David J. Cohen, Richard Drysdale.

Areas of Work: Manufactures and markets pressure-sensitive electronic component drafting aids and other precision-printed and/or specially-processed products and allied services for the various engineering and graphics disciplines. Also operates three retail outlets in California which sell drafting equipment.

Divisions and Subsidiaries:

Accupress
San Fernando, California
(213) 873-2655

Bishop Graphics, Inc.

Bishop DISC
Westlake Village, California

Bishop Graphic & Art Supply Centers
4040 Campus Drive
Newport Beach, California 92660

10645 Vanowen Street
North Hollywood, California 91605

835 Stewart Drive
Sunnyvale, California 94086

Printed Circuit Design Products Division
Westlake Village, California
(818) 991-2600

Acquisition(s):

Computer Aided Design Resources, Inc. (March, 1983)
Pasadena, California
A full CAD service bureau.

Transfer Agent(s):

City National Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BGPH (NASDAQ)

Number of Employees:

1984	170	1981	207
1983	175	1980	220
1982	163		

Plant Footage:

1984	96,700 sq. ft.	1981	96,700
1983	96,700	1980	96,700
1982	96,700		

Sales and Earnings

	Net Sales †	Net Income
1984	$ 14,668,000	$ 1,072,000
1983	12,273,000	914,000
1982	11,020,000	189,000
1981	10,175,000	346,000
1980	9,869,000	480,000

	No. of Com. Shares +	Earn. per Share +
1984	2,104,000	$ 0.51
1983	2,022,000	0.45
1982	1,808,000	0.10
1981	1,935,000	0.18
1980	1,836,056	0.26

† Of continuing operations only.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	10%	3-for-2
1982	—	—	—
1981	—	10%	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 5,575,000	$ 2.65
1983	4,119,000	2.04

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 14,668,000	$ 12,273,000
Cost of sales	6,866,000	5,713,000
Expenses	5,935,000	4,789,000
Interest exp. (income)	(6,000)	24,000
Income before taxes	$ 1,873,000	$ 1,747,000
Income taxes	801,000	833,000
Net Income	$ 1,072,000	$ 914,000

* Included in Costs and Expenses, Depreciation and Amortization: $573,000 in 1984 and $368,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 802,000	$ 1,098,000
Acct. receiv., net	1,738,000	1,613,000
*Inventories	2,662,000	1,788,000
Prepaid inc. taxes	259,000	—
Prepaid expenses	256,000	156,000
Current Assets	$ 5,717,000	$ 4,665,000
#Fixed assets	1,847,000	1,376,000
Other assets	279,000	34,000
Total Assets	$ 7,843,000	$ 6,065,000

Liabilities

Long-term debt, curr.	$ 9,000	$ —
Accts. payable	624,000	501,000
Accruals	79,000	103,000
Accrued payroll	217,000	220,000
Emp. benefit plan	72,000	60,000
Income taxes	—	740,000
Def. inc. taxes	463,000	—
Non-competition agree.	46,000	—
Curr. Liabilities	$ 1,510,000	$ 1,624,000
Long-term debt	566,000	—
Non-competition agree.	138,000	—
Deferred inc. taxes	54,000	322,000
+ Common stock	14,000	13,000
Add. paid-in capital	2,577,000	2,105,000
Retained earnings	3,098,000	2,026,000
Notes receiv. from stock sale	(114,000)	(25,000)
Total Liabilities & Shareholders' Equity	$ 7,843,000	$ 6,065,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation.
+ $.00666 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.77	14.23
%Net Income to Sales	7.31	7.45
%Net Income to Equity	19.23	22.19
Sales to Inventories	5.51	6.86
Working Capital	$4,207,000	$3,031,000
Current Ratio	3.79	2.87
Shareholders' Equity	$5,575,000	$4,119,000

BMC Industries, Inc.

(formerly Buckbee-Mears Company)

1100 American National Bank Building
St. Paul, Minnesota 55101
(612) 228-6310

Officers: Joe E. Davis, acting president & chief exec. officer; Robert J. Bateman, v.p. & president-Interconics; Carl A. Bergman, v.p. & president-Optical Products; Gerald M. Bestler, v.p & president-Special Products; Merle D. Kerr, controller; Kenneth W. Lewis, v.p.-human resources; Harris Ravine, sr. v.p.-finance & administration, secretary & gen. counsel.

Directors: Carl B. Drake, Jr., Robert W. Fischer, Lyle D. Altman, Joe E. Davis, Donald J. Doughman, H.D. Elverum, Norman C. Mears, Burton N. Noah, S. Walter Richey, Charles S. Strauch, Richard A. Swalin.

Areas of Work: Designs, manufactures and markets precision electronic components and systems and related manufacturing equipment, and optical products such as eyewear lenses and frames.

Divisions and Subsidiaries:

INTERCONICS

Buckbee-Mears Operation
245 East Sixth Street
St. Paul, Minnesota 55101
(612) 228-6400

Bussing Systems Operation
2525 East Vista Industria
Compton, California 90220
(213) 639-2120

Cirpack Design & Prototype Operation
16692 Hale Avenue
Irvine, California 92714
(714) 660-1337

Cirnel Circuits Operation
P.O Box 16429
2302 Barranca Road
Irvine, California 92714
(714) 660-1510

IMC Microcircuits Operation
1515 South Sixth Street
Hopkins, Minnesota 55343
(612) 933-4600

IMC Tampa Operation
3602 West Waters Avenue
Tampa, Florida 33684
(813) 933-5113

Nashua Flexible Circuits Operation
100 Northeastern Boulevard
Nashua, New Hampshire 03062
(603) 883-5541

Precision Stamping Operation
2100 Lunt Avenue
Elk Grove Village, Illinois 60007
(312) 439-7580

Industries Singapore Pte., Ltd.
10, Gul Crescent
Jurong Town, Singapore 2262

SPECIAL PRODUCTS

Advanced Controls
16901 Jamboree Boulevard
Irvine, California 92714
714) 863-9300

Buckbee-Mears Cortland
P.O. Box 189
Kellogg Road
Cortland, New York 13045
(607) 753-9615

Buckbee-Mears Europe GmbH
7840 Muellheim-Baden
Postfach 1162, Renkenrunsstrasse
West Germany

OPTICAL PRODUCTS

Buckbee-Mears Europe Optics
7840 Muellheim-Baden
Postfach 1162, Renkenrunsstrasse
West Germany

Kelley & Hueber
5235 Whitby Avenue
Philadelphia, Pennsylvania 19143
(215) 747-9300

Pennsylvania Optical
234 South Eighth Street
Reading, Pennsylvania 19603
(215) 376-5701

Univis Eyewear
P.O. Box 1072
Tri-Boro Industrial Park
North Attleboro, Massachusetts 02761
(617) 695-2575

Vision-Ease Lens
3301 Southwest Ninth Avenue
Fort Lauderdale, Florida 33315
(305) 525-1351

Vision-Ease Lens
700 North 54th Avenue
St. Cloud, Minnesota 56301
(612) 251-8782

Transfer Agent(s):

First Trust Company of St. Paul
First National Bank Building
St. Paul, Minnesota 55501

Stock Exchange(s): New York

Ticker Symbol: BMC

Number of Employees:

1984	4,789	1981	1,658
1983	3,158	1980	1,600
1982	2,520		

Plant Footage:

1984	1,184,000 sq. ft.	1982	1,057,000
1983	1,192,000	1981	479,000

Sales and Earnings

	Revenues +	Net Income
1984	$ 333,317,000	$ 1,947,000
1983	144,599,000	7,788,000
1982	111,393,000	4,520,000
1981	88,011,000	3,472,000
1980	85,638,000	2,042,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,171,000	$ 0.38
1983	4,697,000	1.66
1982	3,410,000	1.33
1981	3,161,000	1.10
1980	3,090,000	0.66

+ Of continuing operations only.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Interconics	$ 204,423	$ 44,851
Optical prods.	77,702	75,383
Special prods.	52,660	24,369
Other	52	211
Interseg. sales	(1,520)	(215)
Total	$ 333,317	$ 144,599

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.46	—	—
1983	0.40	—	—
1982	0.39	—	—
1981	0.36	—	—
1980	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 77,238,000	$ 14.92
1983	78,042,000	15.17
1982	54,022,000	12.49
1981	35,280,000	11.01
1980	32,800,000	10.72

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 332,115	$ 143,331
Other income	1,202	1,268
Total income	$ 333,317	$ 144,599
Cost of sales	293,609	114,942
Expenses	23,795	16,017
Interest expense	7,521	1,977
Prov. for plant move	1,700	773
Other expenses (income)	(160)	158
Income before taxes	$ 6,852	$ 10,732
Income taxes	450	2,654
Inc. - cont. oper.	$ 6,402	$ 8,078
Loss - discont. oper	(4,455)	(290)
Net Income	$ 1,947	$ 7,788

* Included in Costs and Expenses, Depreciation: $8,736,000 in 1984 and $4,818,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 2,620	$ 2,113
Accts. receiv., net	41,777	23,884
*Inventories	101,248	32,652
Notes receiv. & other curr. assets	8,670	7,837
Current Assets	$ 154,315	$ 66,486
#Fixed assets	66,026	32,317
Intangibles	13,385	5,935
Other assets	7,231	6,465
Total Assets	$ 240,957	$ 111,203

Liabilities
(000's)

	1984	1983
Short-term borr.	$ 9,918	$ 1,391
Long-term debt, curr.	1,323	452
Accts. payable	40,738	12,104
Accrued payroll	3,661	2,229
Accrued pension	1,812	1,198
Other accruals	13,038	4,910
Curr. Liabilities	$ 70,490	$ 22,354
Long-term debt	87,659	2,930
Other liabilities	3,463	1,945
Deferred inc. taxes	—	1,761
Deferred credit	2,107	4,171
+Common stock	38,815	38,486
Retained earnings	40,286	40,718
Translation adjust.	(1,863)	(1,162)
Total Liabilities & Shareholders' Equity	$ 240,957	$ 111,203

* At lower of cost (domestic inventories at LIFO: all others at average) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	2.52	9.98
Sales to Inventories	3.28	4.39
Working Capital	$83,825,000	$44,132,000
Current Ratio	2.19	2.97
Shareholders' Equity	$77,238,000	$78,042,000

The Boeing Company

P.O. Box 3707
7755 East Marginal Way South
Seattle, Washington 98108
(206) 656-2121

Officers: T.A. Wilson, chairman of the board & chief executive officer; Frank Shrontz, president; M.T. Stamper, vice chairman; H.W. Haynes, exec. v.p. & chief financial officer; D.P. Beighle, v.p.-contracts, general counsel & secretary; L.D. Alford, K.F. Holtby, W.M. Maulden, C.E. Skeen, R.W. Tharrington, R.W. Welch, sr. v.p.'s; R.B. Brown, D.J. Crispin, J.H. Goldie, R.B. Light, S.M. Little, D. McLaren, B. Mishel, v.p.'s; A.H. Lowell, controller; J.B.L. Pierce, treasurer; R.E. Bateman, v.p.-General Manager, Boeing Marine Systems; R.L. Dryden, president-Boeing Computer Services Co.; A.M.S. Goo, president-Boeing Military Airplane Co.; H.K. Hebeler, president-Boeing Aerospace Co.; J. Mallen, president-Boeing Vertol Co.; D.D. Thornton, sr. v.p., president-Boeing Commercial Airplane Co.

Directors: T.A. Wilson, chairman; H.W. Haynes, Charles M. Pigott, D.E. Skinner, M.T. Stamper, George H. Weyerhaeuser, Rene C. McPherson, Lee L. Morgan, David Packard, Stanley Hiller, Jr., Irving S. Shapiro, George M. Keller, H.J. Haynes, Frank A. Shrontz.

Areas of Work: The company is involved in missile and space-oriented activities as well as the manufacture of military and commercial helicopters and aircraft, hydrofoil craft, products and services in the energy and environment areas, computer products and services, associated products.

Divisions and Subsidiaries:

Boeing Aerospace Company
Kent, Washington

Boeing Commercial Airplane Company
Renton, Washington

Boeing Vertol Company
Philadelphia, Pennsylvania

Boeing Military Airplane Company
Wichita, Kansas
Seattle, Washington

Boeing Computer Services Company
Bellevue, Washington

Boeing Marine Systems
Renton, Washington

Boeing Electronics Company
Renton, Washington

Transfer Agent(s):

First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s)*:

New York, London, Switzerland, Amsterdam, Boston, Cincinnati, Midwest, Pacific, Philadelphia, Brussels.

*Listed and/or traded.

Ticker Symbol: BA

Number of Employees:

1984	94,000	1981	105,300
1983	84,600	1980	106,300
1982	95,700		

Plant Footage: (Inc. leased and govt. owned floor area; in million square feet)

1984	44.3	1981	45.4
1983	44.9	1980	43.1
1982	44.7		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 10,354,000	$ 787,000
1983	11,129,000	355,000
1982	9,035,000	292,000
1981	9,788,200	473,000
1980	9,426,200	600,500

	No. of Com. Shares ‡	Earn. per Share ‡
1984	97,103,888	$ 8.09
1983	96,813,000	3.67
1982	96,535,000	3.02
1981	96,454,626	4.90
1980	96,340,509	6.23

‡ Based on the average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Transportation equipment & related services	$ 8,560,000	$ 9,615,000
Missiles/space & miscellaneous	1,366,000	1,047,000

The Boeing Company

Other industries	516,000	569,000
Corp. income	153,000	77,000
Total	$ 10,595,000	$ 11,308,000

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$1.40	—	—
1983	1.40	—	—
1982	1.40	—	—
1981	1.40	—	—
1980	1.40	—	3-for-2

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1984	$ 3,695,000	$ 38.00
1983	3,038,000	31.33
1982	2,813,000	29.12
1981	2,655,200	27.52
1980	2,314,800	24.02

† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 10,354,000	$ 11,129,000
Other income	241,000	179,000
Total income	$ 10,595,000	$ 11,308,000
Cost of sales & exp.	9,998,000	10,797,000
Interest & debt exp.	28,000	36,000
Income before taxes	$ 569,000	$ 475,000
Income taxes	179,000	120,000
Adjustment of tax provisions on disc. earnings	(397,000)	—
Net Income	$ 787,000	$ 355,000

* Included in Costs and Expenses, Depreciation: $365,000,000 in 1984 and $365,000,000 in 1983.

Assets
(000's)

As of Dec. 31.	1984	1983
Cash & cert. of deposit	$ 1,067,000	$ 877,000
Short-term investments	528,000	218,000
Accts. receiv., net	639,000	479,000
Long-term customer financing, curr.	138,000	62,000
Inventories	3,798,000	3,526,000
Current Assets	$ 6,170,000	$ 5,162,000
Long-term customer financing	541,000	539,000
#Fixed assets	1,671,000	1,671,000
Investments & other assets	103,000	99,000
Total Assets	$ 8,485,000	$ 7,471,000

Liabilities
(000's)

Notes payable	$ —	$ 65,000
Long-term debt, curr.	15,000	17,000
Accts. payable & accruals	2,528,000	2,239,000
Advs. & prog. billings in exc. of costs	644,000	288,000
Income taxes	853,000	596,000
Curr. Liabilities	$ 4,040,000	$ 3,205,000
Long-term debt.	284,000	301,000
Deferred invest. credit	144,000	184,000
Deferred inc. taxes	322,000	743,000
+Common stock	843,000	838,000
Retained earnings	2,854,000	2,203,000
Treasury stock	(2,000)	(3,000)
Total Liabilities & Shareholders' Equity	$ 8,485,000	$ 7,471,000

# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.50	4.27
%Net Income to Sales	7.60	3.19
%Net Income to Equity	21.30	11.69
Sales to Inventories	2.73	3.16
Working Capital	$2,130,000,000	$1,957,000,000
Current Ratio	1.53	1.61
Shareholders' Equity	$3,695,000,000	$3,038,000,000

Bolt Beranek and Newman Inc.

10 Moulton Street
Cambridge, Massachusetts 02238
(617) 491-1850

Officers: Stephen R. Levy, chairman & chief executive officer; Michael P. LaVigna, president & chief operating officer; Michael Nacey, v.p.-administration; Edward R. Santoro, v.p. & clerk; Bruce D. Glabe, sr. v.p. & chief financial officer; Ralph Goldwasser, controller; W.B. Barker, sr. v.p.; John Montjoy, gen. counsel & clerk; Daniel Sullivan, asst. v.p.

Directors: Samuel Labate, Stephen R. Levy, Roger D. Wellington, Andrew L. Nichols, Michael P. LaVigna, Howard Swearer, D.V. d'Arbeloff.

Areas of Work: Hardware, software, and consulting services for wide area data communications networks; research, development, and consulting in computer and physical sciences; packaged software for laboratory research and quality control.

Subsidiaries:

BBN Laboratories Inc.
BBN Software Products Corp.
BBN Communications Corporation

All at:

10 Moulton Street
Cambridge, Massachusetts 02138
(617) 491-1850

1300 North 17th Street
Arlington, Virginia 22209

21120 Vanowen Street
Canoga Park, California 91303

Union Station
New London, Connecticut 06320

174 Bellevue Avenue
Newport, Rhode Island 08240

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: BBN

Number of Employees:

1984	1,530	1981	1,295
1983	1,322	1980	1,173
1982	1,251		

Plant Footage:

1984	N.A.	1981	585,010
1983	N.A.	1980	459,090
1982	755,010 sq. ft.		

N.A. - Not Available

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 106,350,000	$ 5,929,000
1983	85,424,000	3,292,000
1982	69,217,500	1,579,800
1981	55,072,600	939,600
1980	46,902,600	2,871,500

	No. of Com. Shares +	Earn. per Share +
1984	7,767,788	$ 0.76
1983	6,993,406	0.47
1982	6,479,766	0.24
1981	6,441,908	0.15
1980	6,299,888	0.46

‡ Of continuing operations only.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Research, develop. & consulting	$ 52,908,000	$ 48,031,000
Computer & communications prods.	53,442,000	37,393,000
Total	$ 106,350,000	$ 85,424,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0 10	—	2-for-1
1983	0.097	—	3-for-2
1982	0.093	—	—
1981	0.091	—	3-for-2
1980	0.089	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 50,971,000	$ 6.56
1983	26,701,000	3.82
1982	23,176,600	3.58
1981	22,187,400	3.44
1980	21,251,400	3.37

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 106,350,000	$ 85,424,000
Operating costs & expenses	96,773,000	79,094,000
Interest expense	596,000	1,179,000
Interest income	(1,035,000)	(271,000)
Other expense (income)	(113,000)	1,000
Income before taxes	$ 10,129,000	$ 5,421,000
Income taxes	4,200,000	2,129,000
Net Income	$ 5,929,000	$ 3,292,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,173,000 in 1984 and $4,191,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 831,000	$ 572,000
Short-term investments	20,584,000	—
Accts. receiv., net	22,981,000	22,738,000
Other curr. assets	1,964,000	1,158,000
*Inventories	7,286,000	4,503,000
Current Assets	$ 53,646,000	$ 28,971,000
Investments	100,000	2,040,000

#Fixed assets	20,583,000	16,357,000
Total Assets	$ 74,329,000	$ 47,368,000

Liabilities

Accts. payable	$ 2,327,000	$ 1,636,000
Oblig. under cap. leases	1,107,000	1,144,000
Long-term debt, curr.	146,000	73,000
Inc. taxes payable	730,000	700,000
Dividends payable	373,000	324,000
Accrued salaries	2,298,000	1,294,000
Other accruals	3,152,000	1,640,000
Deferred revenues	1,037,000	1,071,000
Deferred taxes	8,280,000	6,579,000
Curr. Liabilities	$ 19,450,000	$ 14,461,000
Long-term debt	843,000	2,070,000
Deferred inc. taxes	1,252,000	1,558,000
Oblig. under cap. leases	1,813,000	2,578,000
+Common stock	7,467,000	3,238,000
Add. paid-in capital	18,604,000	3,749,000
Retained earnings	24,900,000	19,714,000
Total Liabilities & Shareholders' Equity	$ 74,329,000	$ 47,368,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.52	6.35
%Net Income to Sales	5.57	3.85
%Net Income to Equity	11.63	12.33
Sales to Inventories	14.60	18.97
Working Capital	$34,196,000	$14,510,000
Current Ratio	2.76	2.00
Shareholders' Equity	$50,971,000	$26,701,000

Boonton Electronics Corporation

791 Route 10
Randolph, New Jersey 07869
(201) 584-1077

Officers: Robert J. Hannon, president & chief executive officer; Scott Elkins, v.p.-marketing; G. Raymond Polen, v.p.-engineering; Joseph G. Gillespie, secretary-treasurer.

Directors: Jack Frucht, Ronald T. DeBlis, Robert J. Hannon, John M. Young, Otto H. York.

Areas of Work: Designs and manufactures electronic measuring instruments for use in the laboratory and on production lines of manufacturers of electronic components and equipment. These instruments include rf voltmeters, microwave power meters, signal generators, modulation meters, admittance bridges, and capacitance and inductance meters and bridges.

Subsidiary:

Boonton International Sales Corporation (DISC)
Randolph, New Jersey

Transfer Agent(s):

Chemical Bank
Corporate Trust Department
55 Water St., Room 538
New York, New York 10041

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BOON (NASDAQ)

Number of Employees:

1984	164	1982	160
1983	161		

Plant Footage:

1984	44,400 sq. ft.	1982	39,500
1983	44,400		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 10,766,638	$ 707,757
1983	11,300,933	962,588
1982	10,040,220	661,515
1981	8,367,189	237,053
1980	7,815,377	324,154

	No. of Com. Shares †	Earn. per Share +
1984	1,261,420	$ 0.56
1983	1,224,214	0.79
1982	1,171,715	0.56
1981	1,047,429	0.23
1980	1,047,429	0.31

‡ Includes other income.
+ Based on the average number of shares outstanding adjusted to reflect stock dividend and stock split.
† Adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	3-for-2
1982	—	10%	—
1981	$0.15	—	—
1980	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 6,691,452	$ 5.30
1983	5,970,679	4.88
1982	4,938,265	4.21
1981	4,242,909	4.05
1980	4,005,856	3.82

# Adjusted to reflect stock dividend and stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 10,766,638	$ 11,300,933
Cost of sales	5,283,334	5,645,894
Expenses	4,065,501	3,870,821
Oper. profit	$ 1,417,803	$ 1,784,218
Other charges	240,834	192,295
Other income	(5,429)	(75,492)
Income before taxes	$ 1,182,398	$ 1,667,415
Income taxes	474,641	704,827
Net Income	$ 707,757	$ 962,588

* Included in Costs and Expenses. Depreciation: $333,381 in 1984 and $218,856 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 255,260	$ 138,761
Escrow acct.	—	14,525
Accts. receiv., net	2,092,894	2,550,113
Other receiv.	456	12
*Inventories	3,431,850	2,682,925
Prepaid expenses	135,082	122,686
Accounts payable - debit balances	2,710	2,293
Current Assets	$ 5,918,252	$ 5,511,315
#Fixed assets	3,612,836	3,556,321
Other assets	207,299	241,433
Total Assets	$ 9,738,387	$ 9,309,069

Liabilities

Bank loans	$ 500,000	$ —
Notes payable	325,000	387,500
Accts. payable	220,528	500,189
Accruals	313,899	392,150
Accts. receiv.- credit balances	9,117	5,830
Income taxes	775	60,752
Curr. Liabilities	$ 1,369,319	$ 1,346,421
Long-term debt	1,677,616	1,991,969
+Common stock	133,805	120,843
Add. paid-in capital	3,404,543	2,588,799
Retained earnings	3,153,104	3,261,037
Total Liabilities & Shareholders' Equity	$ 9,738,387	$ 9,309,069

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.98	14.75
%Net Income to Sales	6.57	8.52
%Net Income to Equity	10.58	16.12
Sales to Inventories	3.14	4.21
Working Capital	$4,548,933	$4,164,894
Current Ratio	4.32	4.09
Shareholders' Equity	$6,691,452	$5,970,679

Boston Digital Corporation

Granite Park
Milford, Massachusetts 01757
(617) 473-4561

Officers: Ara Aykanian, president; Thomas D. Linn, executive v.p. & treasurer; Simon Queen, clerk; Stanley Leven, asst. clerk; Richard H. Dietz, v.p.-marketing; Robert M. Engler, v.p.-manufacturing; Ernest H. Johnston, v.p.-engineering; William F. Staples, Jr., asst. treasurer & controller.

Directors: Ara Aykanian, H. Joseph Gerber, Thomas D. Linn, Stanley Leven, David J. Logan, Simon Queen.

Areas of Work: Develops, manufactures and markets computer numerically controlled machining systems.

Subsidiary:

BostoMatic International Corporation
Hopkinton, Massachusetts

BostoMatic GmbH
Essingen, West Germany

Transfer Agent(s):

Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BOST (NASDAQ)

Number of Employees:

1984	N.A.	1981	200
1983	160	1980	200
1982	N.A.		

Plant Footage:

1984	80,000 sq. ft.	1981	55,000
1983	80,000	1980	55,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 18,289,000	$ 1,111,000
1983	15,703,000	711,000
1982	21,399,000	1,598,000
1981	20,981,709	1,875,898
1980	15,201,121	1,299,059

	No. of Com. Shares #	Earn. per Share #
1984	2,752,350	$ 0.40
1983	2,733,457	0.26
1982	2,744,474	0.58
1981	2,810,654	0.67
1980	2,442,055	0.53

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Boston Digital Corporation

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	*3-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 13,139,075	$ 4.77
1983	12,017,797	4.40
1982	11,306,576	4.12
1981	9,662,681	3.44
1980	3,773,393	1.55

# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 18,289,411	$ 15,703,007
Cost of sales	12,625,456	11,288,887
Expenses	3,925,050	3,521,199
Oper. profit	$ 1,738,905	$ 892,921
Interest expense	133,359	27,150
Interest income	(423,415)	(403,297)
Loss (gain) on sale	10,883	(79,753)
Income before taxes	$ 2,018,078	$ 1,348,821
Income taxes	907,000	637,600
Net Income	$ 1,111,078	$ 711,221

* Included in Costs and Expenses, Depreciation and Amortization: $401,490 in 1984 and $311,729 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 156,577	$ 49,522
Short-term invest.	4,199,631	4,664,191
Income taxes refundable	211,000	147,411
Accts. receiv., net	4,111,193	3,830,607
*Inventories	5,210,798	3,897,292
Prepaid expenses	63,904	50,219
Deferred inc. taxes	91,000	147,000
Current Assets	$ 14,044,103	$ 12,786,242
#Fixed assets	4,136,084	762,167
Other assets	209,771	84,381
Total Assets	$ 18,389,958	$ 13,632,790

Liabilities

	1984	1983
Accts. payable	$ 670,773	$ 686,527
Accrued payroll	253,767	195,337
Long-term debt, curr.	105,000	—
Accruals	351,343	237,135
Cust. deposits	—	51,896
Curr. Liabilities	$ 1,380,883	$ 1,170,893
Oblig. under cap. leases	3,370,000	—
Deferred inc. taxes	500,000	444,100
+Common stock	263,127	263,007
Add. paid-in capital	4,368,079	4,357,999
Retained earnings	8,507,869	7,396,791
Total Liabilities & Shareholders' Equity	$ 18,389,958	$ 13,632,790

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.03	8.59
%Net Income to Sales	6.07	4.53
%Net Income to Equity	8.46	5.92
Sales to Inventories	3.51	4.03
Working Capital	$12,663,220	$11,615,349
Current Ratio	10.17	10.92
Shareholders' Equity	$13,139,075	$12,017,797

Bowmar Instrument Corporation

531 Main Street
Acton, Massachusetts 01720
(617) 263-8365

Officers: Edward A. White, chairman & chief executive officer; Charles S. Krakauer, president & chief operating officer; John C. Maag, corporate controller & secretary.

Directors: Edward A. White*, chairman, James C. Marlas*, J. Davidge Warfield, Harry Rex Land, Jr., Fred N. Gerard*, Dan L. McGurk, Charles S. Krakauer, J. Sidney Webb*.

* Member of the Executive Committee.

Areas of Work: Manufactures data communications products, including multifunction generators and data acquisition equipment. Also manufactures electronic communications test equipment, electromechanical digital displays, keyboards and thermal printers for use in industrial instrumentation applications, and electromechanical components and packages, including rotating devices (gearheads, motors and motor generators), synchros, mechanical counters, resolvers, dial drives, mechanical packages, and other related devices.

Divisions:

Bowmar Aerospace Division
8000 Bluffton Road
Fort Wayne, Indiana 46809
(219) 747-3121

Bowmar Commercial Products Division
4640 126th Avenue, North
Clearwater, Florida 33520
(813) 576-2525

Subsidiaries:

Bowmar/ALI, Inc.
531 Main Street
Acton, Massachusetts 01720
(617) 263-8365

Harowe Servo Controls, Inc.
Westtown Road at West Chester Pike
West Chester, Pennsylvania 19380
(215) 692-2700

Bowmar Instrument Limited
43/45 High Street
Weybridge, Surrey, KT 138 BB England

St. Kitts Enterprises Co. Ltd.
P.O. Box 392
Sandy Point, St. Kitts, West Indies
(809) 465-6227

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: BOM

Number of Employees:

1984	926	1981	1,160
1983	908	1980	1,320
1982	N.A.		

N.A. - Not Available.

Plant Footage:

1984	220,000 sq. ft.	1981	298,000
1983	228,000	1980	280,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Net Sales +	Net Income
1984	$ 38,100,000	$ 757,000
1983	39,321,000	(2,085,000)
1982	42,168,000	(174,000)
1981	42,698,000	583,000
1980	38,857,000	926,000

	No. of Com. Shares #	Earn. per Share #
1984	4,578,135	$ 0.17
1983	4,539,150	—
1982	4,447,326	—
1981	5,628,517	0.10
1980	8,020,511	0.12

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Electronics	$ 9,765	26%	$14,743	37%
Electromechanical	28,335	74	24,578	63
Total	$38,100	100%	$39,321	100%

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 5,053,000	$ 1.10
1983	3,831,000	0.85
1982	6,791,000	1.52
1981	7,246,000	1.65
1980	9,557,000	1.19

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 38,100	$ 39,321
Cost of sales	27,636	30,316
Expenses	7,914	10,078
Interest income	(156)	(111)
Interest expense	1,493	1,894
Other income	(81)	(360)
Gain on sale-leaseback-	—	(743)
Loss on divestiture	—	264
Prov. for litigation	—	1,000
Income (loss) before taxes	$ 1,294	$ (3,017)
Income taxes (credit)	537	(932)
Net Income (Loss)	$ 757	$ (2,085)

* Included in Costs and Expenses, Depreciation and Amortization: $778,000 in 1984 and $981,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 1,509	$ 2,025
Receiv., net	7,701	7,304
*Inventories	8,163	6,567
Prepaid expenses	181	197
Current Assets	$ 17,554	$ 16,093
#Fixed Assets	4,322	3,986
Other assets	623	793
Total Assets	$ 22,499	$ 20,872

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 43	$ 94
Accts. payable	2,691	1,830
Accruals	3,665	4,076
Curr. Liabilities	$ 6,399	$ 6,000
Long-term debt	47	41
Convert. subord. deben.	11,000	11,000
+Common stock	471	466
Add. paid-in capital	2,460	1,941
Retained earnings	2,271	1,514
Treasury stock	(12)	(13)
Foreign currency adjustments	(137)	(77)
Total Liabilities & Shareholders' Equity	$ 22,499	$ 20,872

* At lower of cost (principally moving average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 stated value.

Statistical Summary

%Income bef. Taxes to Sales	3.40	—
%Net Income to Sales	1.99	—
%Net Income to Equity	14.98	—
Sales to Inventories	4.67	5.99
Working Capital	$11,155,000	$10,093,000
Current Ratio	2.74	2.68
Shareholders' Equity	$ 5,053,000	$ 3,831,000

Buck Engineering Co., Inc.

Farmingdale, New Jersey 07727
(201) 938-2000

Officers: David T. Buck, chairman of the board emeritus-;Raymond Bowers, chairman of the board; Peter M. Schluter, president & chief executive officer; Charles H. Bond, v.p.-finance, secretary & treasurer; Julius J. Denzler, Shirley L. Barrett, assistant secretaries.

Directors: David Berdan, Raymond A. Bowers, David T. Buck, Peter M. Schluter, H. Daniel Harris, Garrett B. Hunter, E.A. Savinelli, Charles H. Bond, Kenneth D. Roberts.

Areas of Work: Primarily manufactures and markets educational equipment and knowledge transfer systems used in teaching electronics, mechanical and electric power technology in industrial training facilities and vocational, technical and multi-level schools and colleges. Also designs, manufactures and markets engine analysis equipment for the transportation and related energy industries.

Divisions and Subsidiaries:

Lab-Volt Systems
P.O. Box 686
Farmingdale, New Jersey 07727
(201) 938-2000

Lab-Volt Limited
5368 Thirteenth Avenue
P.O. Box 279-Rosemont Station
Montreal, Quebec, Canada H1X 2XB
(514) 725-9552

Lab-Volt (Quebec) Limited
2120 Lavoisier Street
Ste. Foy, Quebec, Canada G1N 4B1
(418) 681-6346

Go-Power Corporation
1890 Embarcadero Road
Palo Alto, California 94303
(415) 328-7676

Graymark International, Inc.
Santa Ana, California

Electronics Institute
5605 Troost Avenue
Kansas City, Missouri 64110
(816) 361-5656

Technical Systems, Inc.
Minneapolis, Minnesota

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BUCK (NASDAQ)

Number of Employees:

1984	N.A.	1981	280
1983	326	1980	278
1982	324		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 22,993,835	$ 844,425
1983	21,612,063	748,256
1982	21,275,680	643,749
1981	16,380,994	495,138
1980	15,798,113	518,367

	No. of Com. Shares #	Earn. per Share #
1984	519,411	$ 1.63
1983	593,590	1.26
1982	615,481	1.05
1981	696,798	0.71
1980	691,738	0.75

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 5,485,798	$ 10.56
1983	5,725,332	9.65
1982	5,028,619	8.62
1981	5,276,755	7.61
1980	4,765,655	6.92

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 22,993,835	$ 21,612,063
Cost of sales	12,434,464	11,872,449
Expenses	8,586,740	8,099,910
Other expense (income)	18,076	(106,799)
Inerest expense	478,453	342,025
Write-down of cost	75,677	64,222
Income before taxes	$ 1,400,425	$ 1,340,256
Income taxes	556,000	592,000
Net Income	$ 844,425	$ 748,256

* Included in Costs and Expenses, Depreciation and Amortization: $264,112 in 1984 and $247,467 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & invest.	$ 246,994	$ 242,294
Accts. receiv., net	5,990,549	5,229,687
*Inventories	4,990,906	5,194,493
Prepaid expenses	177,406	96,598
Current Assets	$ 11,405,855	$ 10,763,072
#Fixed assets	2,017,112	1,880,403
Other assets	1,212,774	1,301,778
Total Assets	$ 14,635,741	$ 13,945,253

Liabilities

Short-term borrowing	$ 889,400	$ —
Long-term debt, curr.	405,384	349,270
Accts. payable & accruals	3,830,629	3,830,629
Accrued inc. taxes	267,747	385,631
Curr. Liabilities	$ 5,120,893	$ 4,565,530
Long-term debt	3,647,268	3,087,275
Other oblig.	100,580	173,036
Deferred inc. taxes	281,202	394,080
+Common stock	584,040	583,440
Add. paid-in capital	450,555	444,855
Retained earnings	5,593,005	4,748,580
Foreign curr. trans.	(160,744)	(51,543)
Treasury stock	(981,058)	—
Total Liabilities & Shareholders' Equity	$ 14,635,741	$ 13,945,253

* At lower of cost (principally LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.09	6.20
%Net Income to Sales	3.67	3.46
%Net Income to Equity	15.39	13.07
Sales to Inventories	4.61	4.16
Working Capital	$6,284,962	$6,197,542
Current Ratio	2.23	2.36
Shareholders' Equity	$5,485,798	$5,725,332

Bulova Watch Company, Inc.

(90.5% owned by Loews Corporation)

Bulova Park
75-20 Astoria Boulevard
Jackson Heights, New York 11370
(212) 335-6000

Officers: Harry B. Henshel, chairman of the board; Andrew H. Tisch, president; Herbert C. Hoffman, chief operating officer; Lawrence F. Codraro, v.p., secretary & general counsel; George Foreman, v.p.-marketing services; Jerry Josephson, v.p.-sales & marketing; James S. Waterwash, v.p.; Paul S. Sayegh, executive v.p.; Thomas P. Hickerson, controller.

Directors: Harry B. Henshel, Herbert C. Hofmann, Andrew H. Tisch, Laurence A. Tisch, Preston R. Tisch.

Areas of Work: Manufactures and sells, throughout the world, watches and clocks for consumer use and sells power cells and watch parts to the trade. Also sells nonconsumer products for defense and industrial use, including timing and similar devices.

Divisions:

Consumer Products-Domestic

Technical Sales & Services

Consumer Products-International

Industrial/Defense Divisions:
 Systems and Instruments
 Providence Division

Subsidiaries:

American Watch Case Corporation
Atlantic Time Products Corporation
Bulova Watch Company Limited
Bulova Watch, S.p.A.
Bulova France, S.A.
Bulova Systems & Instruments Corporation

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BVA

Sales and Earnings

	Net Sales	Net Income †
1984	$ 147,870,000	$ 7,238,000
1983	151,786,000	(13,345,000)
1982	149,211,000	(10,550,000)
1981	176,814,000	(3,677,000)
1980	192,704,000	(8,704,000)

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	4,599,000	$ 1.57
1983	4,586,000	—
1982	4,402,000	—
1981	4,029,000	—
1980	3,921,000	—

(Loss)
‡ Based on the weighted average number of shares outstanding.
† Including extraordinary gains of $3,095,000 ($0.67 per share) in 1984, $4,706,000 in 1982, $128,000 in 1980.

Revenues By Line of Business

	1984	1983
Consumer	$ 96,929,000	$ 99,990,000
Industrial & defense	49,562,000	50,272,000

Bulova Watch Company, Inc.

Corporate	1,379,000	1,524,000
Total	$ 147,870,000	$ 151,786,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 33,133,000	$ 7.20
1983	26,692,000	5.82
1982	35,478,000	8.06
1981	39,623,000	9.83
1980	43,648,000	11.13

‡ Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 147,870	$ 151,786
Cost of sales	100,842	121,960
Expenses	35,455	38,676
Interest expense	2,531	2,512
Interest to affiliates	1,771	2,935
Loss (gain) from asset disposition	363	1,158
Inc. (loss) bef. taxes	$ 6,908	$ (15,455)
Income tax (credit)	2,765	(2,110)
Net Income (Loss)	$ 4,143	$ 13,345
Extraord. gain	3,095	—
Net Income (loss) & extraord. gain	$ 7,238	$ (13,345)

* Included in Costs and Expenses, Depreciation: $1,186,000 in 1984 and $1,184,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 4,622	$ 5,293
Receivables, net	44,310	51,019
*Inventories	40,214	38,025
Prepaid expenses	812	481
Current Assets	$ 89,958	$ 94,818
#Fixed assets	4,835	8,810
Other assets	177	559
Total Assets	$ 94,970	$ 104,187

Liabilities
(000's)

Notes payable	$ 2,308	$ 2,752
Long-term debt, curr.	2,296	2,469
Accts. payable	9,093	6,543
Accruals	9,992	7,601
Accrued payroll	2,706	2,636
Contract progress collections	604	3,189
Income taxes	118	69
Curr. Liabilities	$ 27,117	$ 25,259
Long-term debt:		
9¼% Serial notes	9,311	11,595
6% Conv. subord. deb.	8,645	8,645
Mortg. payable	2,356	2,173
Other liabilities	1,408	3,075
Debt to affiliate	13,000	27,000
+ Common stock	22,998	22,998
Add. paid-in capital	23,045	23,021
Retained earnings (deficit)	(10,537)	(17,775)
Cum. trans. adjust.	(2,368)	(1,547)
Treasury stock	(5)	(5)
Total Liabilities & Shareholders' Equity	$ 94,970	$ 104,187

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.67	—
%Net Income to Sales	2.80	—
%Net Income to Equity	12.50	—
Sales to Inventories	3.68	3.90
Working Capital	$62,841,000	$69,559,000
Current Ratio	3.32	3.75
Shareholders' Equity	$33,133,000	$26,692,000

Bunting, Inc.

46 Beatrice Street
P.O. Box 4114
Bridgeport, Connecticut 06607
(203) 384-0081

Officers: Lee Bunting, chairman of the board & chief exec. officer; Richard E. Bunting, president; John P. Trianovich, acting treasurer; Gladys Brownrigg, asst. treasurer; Dorothy DeFerrari, secretary.

Directors: Lee Bunting, chairman; Richard E. Bunting, Brose Bunting, James T. Ragan, Joseph V. Quarles.

Areas of Work: Engaged in the assembling and marketing, through distributors and direct sales personnel, of various audio, visual and video electronic communications systems and television viewing systems for use in hospitals, hotels and motels. A subsidiary, Midwest International, Inc. assembles and places coin-operated television chairs in mass transportation terminals.

Subsidiary:

Midwest International, Inc.
650 Wilmington Avenue
Salt Lake City, Utah 84106

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,541,642	$ 420,265
1983	6,799,877	277,196
1982	6,856,340	174,346
1981	4,879,115	196,261
1980	6,513,448	146,374

	No. of Com. Shares ‡	Earn. per Share †
1984	1,389,200	$ 0.32
1983	1,389,200	0.20
1982	1,389,200	0.12
1981	1,389,200	0.14
1980	1,370,200	0.10

‡ Adjusted to reflect stock split.
† Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 3,970,646	$ 2.86
1983	3,724,558	2.68
1982	3,454,612	2.49
1981	3,280,302	2.36
1980	3,076,751	2.21

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 7,541,642	$ 6,799,877
Other income	2,408,505	2,124,657
Total Income	$ 9,950,147	$ 8,924,534
Cost of sales	6,097,044	5,890,944
Expenses	3,178,713	2,640,605
Interest expense	61,873	46,398
Income before taxes	$ 612,517	$ 346,587
Income taxes	192,252	69,391
Net Income	$ 420,265	$ 277,196

* Included in Cost and Expenses, Depreciation and Amortization: $388,366 in 1984 and $333,158 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & invest.	$ 285,904	$ 1,918,054
Accts. receiv., net	1,503,708	1,486,475
*Inventories	3,689,507	3,062,892
Prepaid expenses	473,969	480,151
Current Assets	$ 5,953,088	$ 6,947,572
Installment accts. receiv.	127,241	2,993
#Fixed assets	918,907	998,264
Other assets	299,417	284,203
Equip. leased to others	381,948	281,275
Total Assets	$ 7,680,601	$ 8,514,307

Liabilities

Long-term debt, curr.	$ 42,585	$ 25,929
Accrued customs fees	199,500	396,000
Accts. payable	1,148,207	405,054
Accrued commissions	258,095	279,213
Income taxes	9,812	14,976
Deferred inc. taxes	—	126,217
Billings in excess of costs	1,067,517	2,570,352
Curr. Liabilities	$ 2,725,716	$ 3,817,741
Long-term debt	7,339	—
Cap. lease oblig.	13,040	53,086
Deferred income	348,950	641,399
Deferred inc. taxes	614,910	277,523
+ Common stock	13,892	6,946
Add. paid-in capital	1,906,578	1,913,524
Retained earnings	2,232,067	1,811,802
Treasury stock	(181,891)	(7,714)
Total Liabilities & Shareholders' Equity	$ 7,680,601	$ 8,514,307

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Total Income	6.16	3.88
%Net Income to Total Income	4.22	3.11
%Net Income to Equity	10.58	7.44
Working Capital	$3,227,372	$3,129,831
Current Ratio	2.18	1.82
Shareholders' Equity	$3,970,646	$3,724,558

Burndy Corporation

Richards Avenue
Norwalk, Connecticut 06856
(203) 838-4444

Officers: David Dibner, chairman of the board; Theodore York, president; Stanley J. Aris, v.p. & chief financial officer; Ernest Fanwick, v.p., secretary & general counsel; Donald F. Keating, v.p.-personnel & industrial relations; Ramon V. Nicholl, v.p.-management systems and services; Howard Pedersen, v.p.-corporate development; Alan H. Peltz, treasurer; Frederick H. McLenaghan, Thomas H. Pfuff, William M. Nuckols, v.p.'s; James B. Stiven, v.p. & controller.

Directors: David Dibner, chairman; George M. Szabad, Carlyle F. Barnes, John P. Horgan, Paul Kolton, J.E. Goldman, Richard C. Farley, Billy C. Christensen, Theodore C. York, Gorden F. McClure, Bern Dibner.

Areas of Work: The Company designs, manufactures and sells electrical and electronic connectors and related products. Products range from microminiature components for use in sophisticated electronic equipment to very large electrical connectors used by utilities in the generation, transmission and distribution of electric power. Most sales are made to original equipment manufacturers.

Subsidiaries:

The Berco Manufacturing Co.
Waterbury, Connecticut

Burndy Canada Ltd.
Scarborough, Ontario, Canada

Burndy Electra N.V.
Antvon Spinoystraat, 8
Mechelen, Belgium

Burndy Limited
St. Albans, England

Burndy do Brasil Conetores Ltda.
Estrada do Guarapirange, 2.400
Caixa Postal 30806
Sao Paulo 1, Brazil

Burndy Mexico, S.A. de C.V.
Calle del Rio No. 12
Naucalpan de Juarez
Estado de Mexico

Burndy-Japan Ltd. (affiliate)
9th Floor, T.O.C. Bldg.
22-17, 7-chome Nishigotanda
Sinagawa-Ku, Tokyo-141
Japan

Burndy Electra SpA
Stada del Francese 137
C.P. 130 Ferrovia
10100, Torino, Italy

Burndy Espanol
Calle Vilamari 81
Barcelona 15, Spain

Burndy S.A.
39-41 rue Amilcar Cipriani
93-St. Ouen, France

Burndy Elektro GmbH
Max Langstrasse 56
7022 Leinfelden-Stuttgart
Germany

Burndy Electra A.G.
Hertistrasse 23
8304 Wallisellen
Switzerland

Burndy Svenska A/B
61101 Nykoping
Stockholm, Sweden

Burndy Nederland N.V.
Delftsevaart 26
Rotterdam, Netherlands

Transfer Agent(s):

Marine Midland Bank N.A.,
250 Park Avenue
New York, New York 10177

Stock Exchange(s): New York

Ticker Symbol: BDC

Number of Employees:

1984	4,350	1981	4,698
1983	4,000	1980	4,529
1982	3,865		

Sales and Earnings

	Net Sales	Net Income
1984	$ 232,380,000	$ 12,763,000
1983	211,509,000	12,040,000
1982	226,409,000	15,325,000
1981	256,764,000	32,839,000
1980	253,703,000	23,336,000

	No. of Com. Shares +	Earn. per Share +
1984	11,978,000	$ 1.07
1983	11,967,000	1.01
1982	12,088,000	1.27
1981	12,442,000	2.64
1980	12,531,000	1.86

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.84	—	—
1983	0.80	—	—
1982	0.72	—	—
1981	0.63	—	2-for-1
1980	0.54	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 131,354,000	$ 10.97
1983	131,554,000	10.99
1982	130,678,000	10.81
1981	133,422,000	10.72
1980	118,360,000	9.45

+ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 232,380,000	$ 211,509,000
Cost of sales	141,197,000	134,208,000
Expenses	62,457,000	57,153,000
Interest expense	4,503,000	2,172,000
Other income	(3,349,000)	(3,903,000)
Income before taxes	$ 27,572,000	$ 21,879,000
Income taxes	14,809,000	9,839,000
Net Income	$ 12,763,000	$ 12,040,000

* Included in Costs and Expenses, Depreciation and Amortization: $8,781,000 in 1984 and $9,083,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 25,175,000	$ 32,980,000
Accts. receiv., net	50,959,000	44,371,000
*Inventories	72,387,000	49,298,000
Prepaid expenses	2,210,000	3,125,000
Current Assets	$ 150,731,000	$ 129,774,000
Investments	6,111,000	5,310,000
#Fixed assets	68,819,000	62,587,000
Other assets	1,524,000	1,734,000
Intangibles	1,052,000	1,296,000
Total Assets	$ 228,237,000	$ 200,701,000

Liabilities

Notes payable	$ 36,138,000	$ 11,491,000
Long-term debt, curr.	2,017,000	5,445,000
Accts. payable & accruals	24,645,000	20,675,000
Accrued payroll	6,556,000	5,680,000
Income taxes	2,106,000	329,000
Curr. Liabilities	$ 71,462,000	$ 43,620,000
Long-term debt	16,508,000	17,326,000
Deferred inc. taxes	8,215,000	6,860,000
Deferred retirement	698,000	1,341,000
+ Common stock	13,136,000	13,136,000
Add. paid-in capital	6,175,000	6,255,000
Retained earnings	142,412,000	139,708,000
Cumulative translation adjustments	(12,690,000)	(9,779,000)
Treasury stock	(17,679,000)	(17,766,000)
Total Liabilities & Shareholders' Equity	$ 228,237,000	$ 200,701,000

* Domestic inventories at LIFO; foreign at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.87	10.34
%Net Income to Sales	5.49	5.69
%Net Income to Equity	9.72	9.15
Sales to Inventories	3.21	4.29
Working Capital	$ 79,269,000	$ 86,154,000
Current Ratio	2.11	2.98
Shareholders' Equity	$131,354,000	$131,554,000

Burroughs Corporation

Burroughs Place
Detroit, Michigan 48232
(313) 972-7000

Officers: W. Michael Blumenthal, chairman of the board & chief exec. officer; Paul G. Stern, president & chief operating officer; Donald E. Young, exec. v.p.; Philip S. Dauber, Frederick F. Jenny, Robert F. Holmes, Richard H. Bierly, James A. Unruh, sr. v.p.'s; William J. Beckham, Jr., Hollis L. Caswell, Stanley Jones, Eric V. McGlone, Fred R. Meier, Eugene L. Merlino, Jr., Robert D. Merrell, Robert J. O'Connell, William Tenbrink, Jack F. Thompson, Leroy W. Beers, Reto Braun, George R. Gazerwitz, Curtis A. Hessler, Jeanette P. Lerman, W. Lee Shevel, v.p.'s; J. Marne Gleason, v.p. & gen. counsel; Kenneth L. Miller, v.p. & secretary; David H. Galpern, v.p. & controller; Leon J. Level, v.p. & treasurer; Bernard M. Hirl, general auditor; Bobette Jones, asst. secretaries; Jack R. Silverberg, asst. treasurer.

Directors: W. Michael Blumenthal, chairman of the board; Charles F. Barber, James C. Fletcher, Wade H. McCree, Jr., William G. Milliken, Paul S. Mirabito, Alan E. Schwartz, Arthur R. Seder, Jr., Harold T. Shapiro, Paul G. Stern, Robert M. Surdam, Alice M. Rivlin.

Areas of Work: Engaged in designing, engineering, manufacturing, marketing and supporting information systems and providing related services and supplies.

Operating Groups and Divisions:

System Products
Burroughs Corp. WHQ
Burroughs Place
Detroit, Michigan 48232

This group manages all Burroughs operations relating to the planning, engineering and manufacturing of a full-range of computer systems, environmental software and associated communications capabilities. The group produces a broad range of systems from the large scale B 7900 series and the recently introduced A Series of mainframe systems, through medium and smaller scale systems including the B 4900, B 5900, B3900, B 2900, to small scale systems including the B 1900, B 900 and B 90 series computer systems. System Products is also active in semiconductor and circuit design for devices to be incorporated in Burroughs products. In 1983, System Products established the Advanced Systems Group, chartered to develop the next generation of fully distributed processing systems and supporting networking capabilities. System products operates plant facilities in the U.S. and overseas.

System Development Corporation
5151 Camino Ruiz
Camarillo, California 93010

SDC is a wholly-owned subsidiary of Burroughs which focuses on federal government markets for standard and special information processing equipment and services. SDC was acquired in 1981 and now includes the former Burroughs Federal & Special Systems Group.

Memorex Corporation
San Tomas at Central Expressway
Santa Clara, California 95052

Burroughs Corporation

Memorex is a wholly-owned subsidiary of Burroughs which develops, manufactures, markets and supports a range of information storage devices, media, terminals and other communications systems. Memorex maintains marketing operations in some 80 countries worldwide.

Financial Systems Group
Burroughs Corp. WHQ
Burroughs Place
Detroit, Michigan 48232

The Financial Systems Group manages Burroughs product programs targeted for the financial services marketplace. Current offerings include a broad range of financial systems and software including financial terminals such as teller terminals and ATMs, check encoding systems, document processing systems, and related systems. FSG also manages Burroughs printer products, which include both high speed impact and a number of non-impact printers, including a new laser page printing system. FSG operates facilities in the U.S. and overseas.

Business Information Systems Group
Burroughs Corp. WHQ
Burroughs Place
Detroit, Michigan 48232

The Business Information Systems Group is responsible for Burroughs programs in small business systems, notably the B 20 family of microcomputer systems, general purpose display terminals and workstations, including the ET series of ergonomic terminals, and a range of office automation equipment including word processing systems, facsimile devices, mass storage systems and related devices. BISG also manages Burroughs Dealer Marketing Organization, comprised of distributors and retail dealers of B 20 systems and related software.

Worldwide Marketing
Burroughs Corp. WHQ
Burroughs Place
Detroit, Michigan 48232

Worldwide Marketing consolidates marketing and market planning operations for Burroughs principal product programs for both domestic and international markets. WWM is organized into staff segments charged with coordinating marketing practices, targeted line-of-business development, and overall planning and marketing strategy. Two principal operating groups are responsible for field marketing management: the Business Machines Group is responsible for U.S. marketing activities through a structure of eight marketing regions; the International Group coordinates marketing activities through two geographical divisions and reporting country subsidiaries. The unit also includes a new software and services unit and separate customer support operations.

Planning & Logistics Division
Burroughs Corp. WHQ
Burroughs Place
Detroit, Michigan 48232

PLG integrates manufacturing planning, distribution and inventory management through the coordination of all processes from order entry through customer delivery and installation.

Business Machines Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-7330

Markets Burroughs systems and equipment and provides customer support services throughout the United States.

International Group
Burroughs Place, P.O. Box 330-A
Detroit, Michigan 48232
(313) 972-7432

Markets Burroughs systems and equipment and provides customer support services outside the United States.

Federal and Special Systems Group
P.O. Box 517
Paoli, Pennsylvania 19301
(215) 648-3411

Markets Burroughs systems and equipment and provides support services to the U.S. Government. Also engineers and manufactures special systems and equipment and markets them in the U.S. and overseas.

Computer Systems Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-9687

Engineers and manufactures Company's very large, large, medium-scale, and small scale systems.

Components Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-7232

Engineers and manufactures component products including integrated circuit assemblies; printed circuit boards; keyboards, fabricated parts; cables and other interconnection devices; and power supplies for use in Burroughs systems and equipment.

Terminal Systems Group
Burroughs Place, P.O. Box 418
Detroit, Michigan 48232
(313) 972-9337

Engineers and manufactures terminal systems and products, electronic calculators and adding machines.

Program Products Division
Radnor, Pennsylvania

Develops line-of-business application software for all standard products.

Micro-Components Organization
1670170 Bernardo Drive
San Diego, California 92127
(714) 487-3000

Engineers and manufactures semiconductor products including integrated circuit logic and memory; and develops advanced microcircuitry for use in Burroughs products.

Office Systems Group
Danbury, Connecticut

Develops, manufactures and markets office automation products, including facsimile and optical character recognition products, word processing and retrieval products.

Communications and Networks Group
Burroughs Place
Detroit, Michigan 48232

Develops a variety of communications and network systems including distributed data processing systems, interfaces to public and private networks and local network distribution systems.

Document Information Systems Group
Burroughs Place
Detroit, Michigan 48232

Engineers and manufactures encoders, printers, and document reader-sorters.

Display Division
Plainfield, New Jersey

Manufactures and markets on an OEM basis plasma displays.

Office and Media Products Group
Burroughs Corp. WHQ
Burroughs Place
Detroit, Michigan 48232

This newly formed unit combines the former Office Products Group operation in the U.S., the Business forms and Supplies division of the International Group, the Memorex Media Products group, and the Imaging Systems division to provide a broad range of business forms, checks and other financial documents, magnetic media, office supplies and facsimile systems. The group operates plants in the U.S. and overseas markets through distributors, agents, a direct sales force and a direct response marketing program.

Subsidiaries:

Burroughs Export Corporation
100 West Tenth Street
Wilmington, Delaware

Burroughs Information Systems, Ltd.
Wilmington, Delaware

Burroughs Inter-America, Limited
Wilmington, Delaware

Burroughs International Company
Wilmington, Delaware

Burroughs Properties, Inc.

Compania Burroughs de Maquinas Limitada
Ingeniero Heurgo 965
Buenos Aires, Argentina

Burroughs Limited
P.O. Box 464
North Sydney, NSW, Australia 2060

Burroughs Datenverarbeitung Gesellschaft m.g.H.
Moering Gasse 10
A-1151 Vienna, Austria

Compangnie Belge Burroughs, S.A.
12 Ave de Broqueville
(Angles Rue du Duc 100)
1150 Brussels, Belgium

Burroughs Electronica Ltda.
Caixa Postal 1410-ZC00
Rio De Janeiro, Est. Da Guanabara
Brazil

Burroughs de Chile, S.A.
Casilla de Correo 14285
Santiago, Chile

Burroughs de Columbia, S.A.
Apartado Aereo 53433
Bogota de Colombia

Burroughs de Centro America, S.A.
Apartado 2837
San Jose, Costa Rica

Burroughs Data Systemer A/S
Jydeholmen 15
2720 Van Lose
Copenhagen, Denmark

Societe Autonyme Burroughs
230-242 Avenue Laurent Cely
Boite Postale 50
92231-Gennevilliers (Hauts de Seine)
France

Burroughs Machines Limited
Heathrow House, Bath Road
Hounslow, Cranford
Middlesex, England

Burroughs G.m.b.H.
Frankfurter Allee-14-20
D6236, Eschborn, Germany

Burroughs B.V.
Prof EM. Meyerslaan 2-4
P.O. Box 48
Amstelveen, Holland

Burroughs Machines (Hong Kong) Ltd.
B300, Black 'B', Watson's Estate
Watson Road
North Point, Hong Kong

Burroughs Italiana S.p.A.
Via Cernaia 2
20121 Milan, Italy

Burroughs Machines Limited
P.O. Box 40572
Nairobi, Kenya

Compania Burroughs Mexicana, S.A.
Ave Ejercito Nacional 1005
Mexico 10, D.F., Mexico

Burroughs Limited
P.O. Box 30354
Lower Hutt, New Zealand

Burroughs A/S
P.O. Box 40-Bestun
Oslo 2, Norway

Burroughs Limited
P.O. Box 343, Makati, Rozal 3117
Manila, Philippines

Burroughs Europe-Africa Marketing Limited
Middlesex, England

TATA Burroughs Ltd.
Manish Commercial Centre-5th Floor
Dr. Anni E. Seasant Rd.
Worli, Bombay 400-025, India

Burroughs, Inc.
G.P.O. Box 3308
San Juan, Puerto Rico 00936

Burroughs Machines, Limited
Burroughs House
P.O. Box 2316
Salisbury, Rhodesia

Burroughs Machines, Limited
P.O. Box 3996
Johannesburg, Transvaal, South Africa

Burroughs AB
Banergatan 10
S-11522 Stockholm, Sweden

Burroughs (Schweiz) A.G.
P.O. Box 2067
8023 Zurich, Switzerland

Burroughs International S.A.
18, Rue St. Pierre
1700 Fribourg, Switzerland

Burroughs S.A.
General Davila 7
Madrid-3, Spain

Burroughs Compania Anonima
Apartado 70116-Los Ruices
Caracas, Venezuela

Burroughs Caribbean Limited
P.O. Box 69
Cross Roads
Kingston 5, Jamaica, W.I.

Burroughs Electronica (Portugal) S.A.R.L.
Rua Gregorio Lopes, Lote 1514
Lisbon-3 (Restelo) Portugal

Burroughs Business Machines, Ltd.
801 York Mills Road
Don Mills, Ontario, M3B 1X8 Canada

Burroughs Bahamas Ltd.
P.O. Box ES6266
Dowdswell Street
Nassau, Bahamas

Burroughs Co., Ltd.
Hanzomon Building
7.1 chome, Kojimachi
Chiyoda Ku, Tokyo
102, Japan

Burroughs Computer Systeme Gesellschaft m.b.H.
Tauchlaben, 7a
1010 Vienna 1, Austria

Ubique Assurance Ltd.
Bank of Bermuda Building
Hamilton, Bermuda

Galactic Assurance Group Ltd.
Bank of Bermuda Building
Hamilton, Bermuda

Formularios e Suprimentos Burroughs Ltda.
Rio De Janeiro, Est. de Guanbara, Brazil

Burroughs Leasing Company Limited
Heathrow House, Bath Road
Hounslow, Cranford
Middlesex, England

Burroughs Hellas S.A.
121 Sygrov Avenue
Athens 405, Greece

Burroughs, S.A. de C.V.
Ejercito Nacional 1005
Mexico, D.F. Mexico

Industrias Mexicanas Burroughs, S.A. de C.V.
Guadalajara Jalisco, Mexico

Espirales, S.A.
VBIA Espana 200
Panama 5, Republic of Panama

Burroughs S.A.
Via Espana 200
Panama 5, Republic of Panama

Burroughs A.G.
Fribourg, Switzerland

Burroughs Europe-Africa, Inc.

Burroughs Latin America, Inc.

Burroughs Pacific, Inc.

Burroughs Overseas Limited

Burroughs OEM Corporation

Burroughs OEM Marketing Corporation

Burroughs Pacific Finance Limited

Acquisition(s):

Graphics Technology Corporation
Boulder, Colorado

Manufactures and develops CAD/CAM systems. Graftek specializes in software applications such as mechanical design, automated drafting, numerical control programming and plastic injection-mold design and analysis.

Systems Research Incorporated

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York, Midwest, Pacific, Cincinnati, London, Amsterdam, Antwerp, Basel, Brussels, Geneva, Lausanne, Zurich.

Ticker Symbol: BGH

Number of Employees:

1984	65,000	1981	67,000
1983	63,800	1980	57,300
1982	62,000		

Plant Footage:

1984	10,109,000 sq.ft.	1982	N.A.*
1983	10,239,000		

* Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$3,240,800,000	$ 244,900,000
1983	2,703,400,000	196,900,000
1982	2,485,679,000	117,628,000
1981	1,950,282,000	148,926,000
1980	1,613,668,000	81,972,000

	No. of Com. Shares #	Earn. per Share #
1984	45,373,600	$ 5.40
1983	42,847,000	4.60
1982	42,048,000	2.80
1981	41,641,000	3.58
1980	41,287,000	1.99

# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Information Systems & Equipment	$ 2,775,500	$ 2,338,300
Equipment Service	1,112,300	1,072,500
Media Products	575,100	528,000
Special Purpose Products & Components	345,400	357,700
Other Income	67,300	93,200
Total	$ 4,875,600	$ 4,389,700

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.60	—	—
1983	2.60	—	—
1982	2.60	—	—
1981	2.60	—	—
1980	2.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$2,297,400,000	$ 50.65
1983	2,231,900,000	49.12
1982	2,040,649,000	48.36
1981	2,180,076,000	51.88
1980	2,125,026,000	51.19

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,240,800	$ 2,703,400
Rentals & service revenue	1,567,500	1,593,100
Other income	67,300	93,200
Total Income	$ 4,875,600	$ 4,389,700
Cost of sales	2,005,800	1,701,300
Cost of rentals & service	909,300	937,200
Expenses	1,472,200	1,333,100
Interest expense	125,800	115,400
Income before taxes	$ 362,500	$ 302,700
Income taxes	117,600	105,800
Net Income	$ 244,900	$ 196,900

* Included in Costs and Expenses, Depreciation: $379,600,000 in 1984 and $405,400,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable securities	$ 39,100	$ 54,600
Accts. & notes receiv., net	1,191,300	1,080,200
*Inventories	1,367,800	1,153,600
Prepaid expenses	145,300	112,600
Current Assets	$ 2,743,500	$ 2,401,000
Long-term receiv.	293,100	286,500
Rental equip.	338,700	385,900
#Fixed assets	949,800	877,400
Other assets	179,100	147,400
Total Assets	$ 4,504,200	$ 4,098,200

Liabilities
(000's)

Notes payable	$ 203,300	$ 110,300
Long-term debt, curr.	24,800	10,800
Accts. payable	619,600	525,800
Other accruals	399,400	402,500
Dividends payable	29,500	29,500
Income taxes	155,900	166,700
Curr. Liabilities	$ 1,432,500	$ 1,245,600
Long-term debt	742,200	565,400
Deferred inc. taxes	32,100	55,300
+Common stock	227,800	227,800
Add. paid-in capital	599,000	602,000
Retained earnings	1,742,400	1,615,400
Treasury stock	(9,000)	(4,800)
Currency translation adjustment	(262,800)	(208,500)
Total Liabilities & Shareholders' Equity	$ 4,504,200	$ 4,098,200

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Total Income	11.19	6.90
%Net Income to Total Income	7.56	4.49
%Net Income to Equity	10.66	8.82
Working Capital	$1,311,000,000	$1,155,400,000
Current Ratio	1.92	1.93
Shareholders' Equity	$2,297,400,000	$2,231,900,000

Butler National Corporation

8246 Neiman Road
Lenexa, Kansas 66214
(913) 888-8585

Officers: Leonard E. Lindquist, chairman of the board; Gerald R. Smith, president & chief. exec. officer; R.J. Fitzgerald, secretary; Larry C. Royer, v.p., treasurer & asst. secretary; Jack Graham v.p.-aircraft modifications; Don Buck, v.p.-operations; Robert O. Fulton, v.p.-marketing & sales.

Directors: Leonard E. Lindquist, chairman; Carl H. Almond, Gerald R. Smith, Frank O. Butler II, Albert Sidun, Howard Boasberg.

Areas of Work: Manufactures and sells avionics equipment, navigation and communication devices. Primary products are an ADAS alarm system and an airborne switching unit. Also manufactures synthesized voice computers, pipeline monitoring systems and emergency notification systems.

Subsidiaries:

Cansas International Corporation
Engaged in aircraft modification.

Plectron Corporation
Lenexa, Kansas
Manufactures radio, data and voice transmission equipment.

Avcon Industries
Modifies aircraft

Transfer Agent(s):

Norwest Bank Minnapolis, N.A.
7th & Marquette
Minneapolis, Minnesota 55401

Stock Exchange(s): Over-the-Counter

Ticker Symbol: BUTL (NASDAQ)

Number of Employees:

1984	N.A.	1981	50
1983	101	1980	70
1982	60		

Plant Footage:

1984	N.A.	1982	22,000
1983	23,935 sq. ft.	1981	22,000

N.A.-Not Available

Sales and Earnings

	Net Sales †	Net Income +
1984	$ 6,035,000	$ 401,041
1983	4,995,000	458,170
1982	5,199,000	195,983
1981	3,203,000	(376,533)
1980	3,531,000	37,724

	No. of Com. Shares	Earn. Per Share # +
1984	2,904,134	$ 0.14
1983	2,737,476	0.17
1982	2,737,667	0.07
1981	2,732,717	—
1980	2,729,867	0.02

(Loss)
† Of continuing operations only.
# Based on weighted average number of shares outstanding.
+ Including extraordinary credits of $143,000 ($0.05 per share) in 1984, $228,500 ($.08 per share) in 1983, $100,500 ($0.04 per share) in 1982, and $18,700 ($0.01 per share) in 1980.

Revenues By Line of Business

	1984	1983
Avionics	$ 3,079,767	$ 2,726,154
Automatic dialing alarm supt.	2,014,491	1,469,130
Aircraft modification	597,613	663,002
Other	343,055	136,868
Total	$ 6,034,926	$ 4,995,154

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,224,019	$ 0.77
1983	1,373,624	0.50
1982	915,454	0.33
1981	714,831	0.26
1980	1,088,692	0.40

Income Account *

Year ended April 30	1984	1983
Net sales	$ 6,034,926	$ 4,995,154
Cost of sales	3,878,478	2,907,904
Expenses	1,592,913	1,562,799
Interest expense	179,729	231,701
Interest income	(17,235)	(11,318)
Gain on sale	—	(154,102)
Income before taxes	$ 401,041	$ 458,170
Income taxes	143,000	228,500
Net Income	$ 258,041	$ 229,670
Extraordinary gain	143,000	228,500
Net Income & extraordinary gain	$ 401,041	$ 458,170

* Included in Costs and Expenses, Depreciation and Amortization: $84,859 in 1984 and $51,818 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 31,865	$ 2,384
Accts. receiv., net	1,441,968	1,629,566
Receiv. from officer	110,442	68,138
Contract receivable	29,799	—
*Inventories	1,759,924	1,646,449
Prepaid expenses	22,811	26,052
Current Assets	$ 3,396,809	$ 3,372,589
Note receivable	138,875	—
Contract receiv.	68,768	68,768
#Fixed assets	1,163,080	388,235
Intangibles	97,636	162,841
Other assets	39,966	33,842
Total Assets	$ 4,905,134	$ 4,026,275

Liabilities

Long-term debt. curr.	$ 65,657	$ 51,456
Accts. payable	458,559	585,968
Accruals	210,829	493,309
Curr. Liabilities	$ 735,045	$ 1,130,733
Long-term debt	1,946,070	1,521,918
+ Common stock	307,569	279,975
Add. paid-in capital	9,519,754	9,097,994
Deficit	(7,541,225)	(7,942,266)
Treasury stock	(62,079)	(62,079)
Total Liabilities & Shareholders' Equity	$ 4,905,134	$ 4,026,275

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	11.60	16.72
Sales to Inventories	3.43	3.03
Working Capital	$2,661,764	$2,241,856
Current Ratio	4.62	2.98
Shareholders' Equity	$2,224,019	$1,373,624

CAE Industries Ltd.

Suite 3060, P.O. Box 30
Royal Bank Plaza
Toronto, Ontario, M5J 2J1, Canada
(416) 865-0700

Officers: R. Fraser Elliott, chairman of the board; C. Douglas Reekie, president and chief executive officer; Frank van de Water, v.p.-finance and secretary; David H. Race, exec v.p.; Frederick C. Fraser, v.p.-corp. relations; Donald M. Derouin, comptroller & asst. secretary.

Directors: R. Fraser Elliott, chairman; C. Douglas Reekie, W.M. Anderson, P.L.P. Macdonnell, G. Drummond Birks, Pierre Cote, Ward C. Pitfield, E. Jacques Courtois, J.D. Creighton, J.W. McCutcheon, Michael M. Koerner, V.N. Stock.

Areas of Work: CAE Industries Ltd. is a Canadian-owned holding and management company with operating divisions across Canada. These divisions are engaged in electronics, avaition, automotive and industrial products manufacturing and service for a wide variety of industries, and in the distribution of machine tools, industrial equipment and supplies from coast to coast. The company also has an electronics division in West Germany. Approximately 66% of the company's manufactured products sales are to export markets. CAE divisions specialize in high technology products and services.

Subsidiaries:

CAE Machinery Ltd.
3550 East Broadway
Vancouver, B.C., Canada
(604) 299-3431

USP Industries Inc.
72 Queen Street
Lennoxville, Quebec, Canada
(814) 562-4754

Northwest Industries Limited
Industrial Airport
P.O. Box 517
Edmonton, Alberta, Canada
(403) 455-3161

Canadian Bronze Company Limited
15 Bury Street
Winnipeg, Manitoba, Canada
(204) 786-6821

CAE Electronics Ltd.
8585 Cote de Liesse Road
St. Laurent 377
Montreal, Quebec, Canada
(514) 341-6780

Webster Mfg. (London) Limited
1161 King Street
London, Ontario, Canada
(519) 455-1220

CAE Magnesium Products Div.
Strathroy, Ontario Canada
(519) 245-4040

Accurcast Die Casting Limited
333 Arnold Street
Wallaceburg, Ontario, Canada
(519) 627-1441

CAE Fiberglass Ltd.
Belleville, Ontario, Canada

CAE Electronics GmbH
Stolberg, Aachen, West Germany

CAE Metal Abrasive Division
650 Rushmore Road
Welland, Ontario, L3B 5R4 Canada
(416) 735-4691

CAE-DieCast Ltd.
15 Yale Cr.
St. Catharines, Ontario, Canada
(416) 688-6611

CAE Journpak
Montreal, Quebec, Canada

CAE Metals Ltd.
St. Catharines, Ontario, Canada

Transfer Agent(s):

Montreal Trust Company
Montreal, Quebec, Canada

Toronto, Ontario, Canada
Vancouver, British Columbia, Canada

Stock Exchange(s): Montreal, Toronto

Ticker Symbol: CAE

Number of Employees:

1984	4,065	1981	4,460
1983	3,558	1980	4,225
1982	4,238		

Sales and Earnings

	Revenues +	Net Income #
1985	$ 327,012,000	$ 30,410,000
1984	283,119,000	22,743,000
1983	243,983,000	11,097,000
1982	219,780,000	4,407,000
1981	196,783,000	9,938,000

	No. of Com. Shares ×	Earn. per Share ‡#
1985	35,862,850	$ 0.85
1984	35,587,572	0.64
1983	35,003,172	0.32
1982	34,843,092	0.13
1981	34,601,712	0.29

+ Of continuing operations only.
# Including extraordinary gains of $477,000 ($0.02 per share) in 1983, $299,000 ($0.01 per share) in 1981, and extraordinary losses of $412,000 ($0.01 per share in 1985 and $6,020,000 ($0.35 per share) in 1982.
× Adjusted to reflect stock splits.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.20	—	2-for-1
1984	0.10	—	—
1983	0.10	—	—
1982	0.10	—	3-for-1
1981	0.08	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 97,613,000	$ 2.72
1984	73,326,000	2.06
1983	53,182,000	1.52
1982	45,501,000	1.31
1981	44,329,000	1.28

‡ Adjusted to reflect stock splits.

Income Account
(000's)

Year ended March 31	1985	1984
Revenue	$ 327,012	$ 283,119
Cost of sales & expenses	281,726	245,607
Depreciation & amortization	7,910	7,257
Interest expense	1,298	1,367
Interest income	(6,134)	(3,013)
Income from cont. oper.	$ 42,212	$ 31,901
Loss from discont. oper.	(1,776)	(2,357)
Income before taxes	$ 40,436	$ 29,544
Income taxes	9,614	6,801
Net Income	$ 30,822	$ 22,743
Extraord. loss	(412)	—
Net Income & extraord. loss	$ 30,410	$ 22,743

Assets
(000's)

As of March 31	1985	1984
Cash	$ 58,556	$ 45,046
Accts. receiv., net	54,275	49,092
*Inventories	99,849	108,395
Prepaid expenses	871	1,626
Net assets of discont. operation	1,005	6,759
Current Assets	$ 214,556	$ 210,918
#Fixed assets	56,702	46,787
Other assets	3,788	4,592
Deferred inc. taxes	1,008	4,981
Total Assets	$ 276,054	$ 267,278

Liabilities
(000's)

	1985	1984
Bank indebtedness	$ 6,800	$ 4,150
Long-term debt, curr.	2,069	1,971
Accts. payable & accruals	49,696	42,702
Gov't of Canada loan	3,900	3,900
Income & other taxes	3,605	3,117
Deposits on contracts	95,842	119,274
Curr. Liabilities	$ 161,912	$ 175,118
Long-term debt	15,583	18,208
Minority interest	946	626
+ Capital stock	8,271	7,034
Retained earnings	89,342	66,292
Total Liabilities & Shareholders' Equity	$ 276,054	$ 267,278

* At lower of average cost and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	31.58	31.02
Working Capital	$52,644,000	$35,800,000
Current Ratio	1.33	1.20
Shareholders' Equity	$97,613,000	$73,326,000

California Microwave, Inc.

990 Almanor Avenue
Sunnyvale, California 94086
(408) 732-4000

Officers: David B. Leeson, president & chief executive officer; Gilbert F. Johnson, exec. v.p. & chief operating officer; David E. Hershberg, v.p. & president-Satellite Transmission Systems, Inc.; George L. Spillane, v.p.-finance & chief financial officer; Joseph Russell, v.p. & president - Government Electronics Division.

Directors: David B. Leeson, chairman; Robert A. Helliwell, Franklin P. Johnson, Jr., Gilbert F. Johnson, Oswald G. Villard, Jr., Philip F. Otto, Daniel J. McGanney, Jr.

Areas of Work: Active in four related product areas— telecommunications signal sources, satellite earth station converters, radar test equipment and defense communication converters.

Divisions and Subsidiaries:

California Microwave International
Sunnyvale, California 94086
(408) 732-4000

TXR, Inc.
Sunnyvale, California
Microwave digital radio.

Electronic Defense Operation
Woodland Hills, California

Communications Systems Operation
Columbia, Maryland

CMI Laboratories
Needham Heights, Massachusetts

Communications Receivers Operation
Fairfax, Virginia

Satellite Transmission Systems, Inc.
80 Oser Avenue
Hauppauge, New York 11787
(516) 231-1919

Microwave Division
Satelite telephony equipment, defense satellite equipment, radar equipment, communication receivers.

Telecommunications Division
Digital transmission and microwave radio equipment.

Government Electronic Division
Woodland Hills, California
Electronic intelligence systems.

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CMIC (NASDAQ)

Number of Employees:

1984	1,241	1981	994
1983	1,193	1980	694
1982	1,034		

Plant Footage:

1984	365,000 sq. ft.	1981	248,000
1983	365,000	1980	223,000
1982	284,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 112,493,000	$ 5,866,000
1983	101,209,000	5,375,000
1982	88,615,000	4,154,000
1981	56,971,000	2,521,000
1980	38,066,000	158,000

	No. of Com. Shares #	Earn. per Share #
1984	8,409,000	$ 0.70
1983	8,318,000	0.65
1982	8,014,000	0.52
1981	7,106,000	0.35
1980	6,186,000	0.03

Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Satellite commun. equipment	$ 65,524	58%	$ 45,993	45%
Terrestrial equipment	46,969	42	55,216	55
Total	$112,493	100%	$101,209	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	50%	—
1982	—	100%	—
1981	—	100%	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 41,856,000	$ 5.01
1983	34,954,000	4.31
1982	28,300,000	3.57

1981	23,147,000	2.99
1980	11,237,000	1.84

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 112,493,000	$ 101,209,000
Cost of sales	84,555,000	75,580,000
Expenses	17,376,000	15,891,000
Interest income	(128,000)	(213,000)
Income before taxes	$ 10,690,000	$ 9,951,000
Income taxes	4,824,000	4,576,000
Net Income	$ 5,866,000	$ 5,375,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,151,000 in 1984 and $2,726,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 1,638,000	$ 1,137,000
Short-term investments	2,419,000	3,886,000
Accts. receiv., net	18,243,000	14,399,000
*Inventories	22,643,000	16,711,000
Prepaid expenses	258,000	263,000
Current Assets	$ 45,201,000	$ 36,396,000
#Fixed assets	12,814,000	12,989,000
Other assets	5,836,000	6,376,000
Total Assets	$ 63,851,000	$ 55,761,000

Liabilities

Notes payable & long-term debt. curr.	$ —	$ 875,000
Accts. payable	9,773,000	8,705,000
Accruals	5,375,000	5,983,000
Income taxes	4,247,000	2,644,000
Curr. Liabilities	$ 19,395,000	$ 18,207,000
Long-term debt	2,600,000	2,600,000
+Common stock	2,055,000	2,028,000
+Jr. Common stock	33,000	—
Add. paid-in capital	14,540,000	13,064,000
Retained earnings	26,108,000	20,242,000
Unamortized stock plan	(513,000)	(380,000)
Notes receivable	(367,000)	—
Total Liabilities & Shareholders' Equity	$ 63,851,000	$ 55,761,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.50	9.83
%Net Income to Sales	5.21	5.31
%Net Income to Equity	14.01	15.38
Sales to Inventories	4.97	6.06
Working Capital	$25,806,000	$18,189,000
Current Ratio	2.33	2.00
Shareholders' Equity	$41,856,000	$34,954,000

Cambex Corporation

(formerly Cambridge Memories, Inc.)

360 Second Avenue
Waltham, Massachusetts 02154
(617) 890-6000

Officers: Joseph F. Kruy, chairman of the board & president; James R. Kearnan v.p. & treasurer; James E. Kryzynski, Arthur L. Ziskend, v.p.'s; John E. Beard, clerk.

Directors: Joseph F. Kruy, Myron A. Angier, C.V. Ramamoorthy, Philip C. Hankins.

Areas of Work: Designs, develops, manufactures and markets memory systems used with large-scale computers and with minicomputers in both the end-user and original equipment markets; manufactures and markets a series of computer systems that are compatible with several models of the IBM system 370 and 4300 computer families; markets memory sub-systems and components for incorporation into a variety of digital products manufactured by others.

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CBEX (NASDAQ)

Number of Employees:

1984	N.A.	1982	103
1983	N.A.	1981	120

Plant Footage:

1984	N.A.	1981	55,000
1983	N.A.	1980	55,000
1982	55,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income +
1984	$ 5,667,015	$ 145,816
1983	4,494,435	(1,971,573)
1882	8,016,566	103,510
1981	8,047,755	435,119
1980	4,046,577	201,070

	No. of Com. Shares †	Earn. per Share + †
1984	1,844,000	$ 0.08
1983	1,804,000	—
1982	1,803,000	0.06
1981	1,820,000	0.24
1980	1,775,000	0.11

(Loss)
+ Including extraordinary credits of $47,000 ($0.03 per share) in 1984, $28,000 ($0.02 per share) in 1982, $157,000 ($0.09 per share) in 1981 and $922,251 ($0.52 per share) in 1980.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 1,453,656	$ 0.79
1983	1,225,005	0.68
1982	3,171,249	1.76
1981	3,037,739	1.67
1980	2,583,393	1.46

† Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Aug. 31	1984	1983
Revenues	$ 5,667,015	$ 4,494,435
Cost of sales	3,534,227	4,127,984
Expenses	1,844,799	2,168,180
Oper. income (loss)	$ 287,989	$ (1,801,729)
Interest income	(19,221)	(28,417)
Interest expense	147,394	198,261
Income (loss) bef. taxes	$ 159,816	$ (1,971,573)
Income taxes	61,000	—
Net Income (Loss)	$ 98,816	$ (1,971,573)
Extraord. gain	47,000	—
Net Income (Loss) & extraord. gain	$ 145,816	$ (1,971,573)

* Included in Costs and Expenses, Depreciation and Amortization: $335,979 in 1984 and $400,236 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 308,563	$ 282,293
Receiv., net	575,405	441,932
*Inventories	2,339,932	2,398,952
Prepaid expenses	91,963	67,453
Current Assets	$ 3,315,863	$ 3,190,630
Leased equip.	70,708	53,138
#Fixed assets	863,121	1,132,992
Other assets	37,830	37,830
Total Assets	$ 4,287,522	$ 4,414,590

Liabilities

Notes payable	$ 480,000	$ 745,000
Long-term debt, curr.	156,948	195,183
Accts. payable	927,424	837,340
Accruals	948,251	983,157
Accrued payroll	43,849	48,632
Accrued interest	33,693	29,931
Income & other taxes	147,848	155,332
Curr. Liabilities	$ 2,738,013	$ 2,994,575
Long-term debt	95,853	195,010
+Common stock	190,577	185,988
Add. paid-in capital	10,796,866	10,724,541
Retained earnings (deficit)	(9,504,872)	(9,650,688)
Treasury stock	(28,915)	(34,836)
Total Liabilities & Shareholders' Equity	$ 4,287,522	$ 4,414,590

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	2.82	[illegible]
%Net Income to Revenues	1.74	—
%Net Income to Equity	6.80	—
Working Capital	$ 577,850	$ 196,055
Current Ratio	1.21	1.07
Shareholders' Equity	$1,453,656	$1,225,005

Canadian General Electric Company Limited

(91.9% owned by General Electric Company)

P.O. Box 417
Commerce Court North
25 King Street West
Toronto, Ontario, Canada M5L 1J2
(416) 365-6500

Officers: Alton S. Cartwright, chairman of the board; William R.C. Blundell, chairman & chief executive officer; Robert T.E. Gillespie, exec v.p.; Russell M. Baranowski, v.p. & general manager-lighting products department; Max Drouin, v.p.-corporate customer relations; Merrit E. Gordon, v.p. & general manager-resources and power generation operations; Richard E. Ferst, v.p.-finance; Ivan R. Feltham, v.p.-external affairs, general counsel & secretary; Carl B. Haller, v.p. & treasurer; V. Gerold Stafl, v.p. & comptroller; Terrance W. Sutherland, v.p.-corporate human resource operation & general manager-materials and technical systems; Murray J. Stewart, general manager-large motors and industrial electronics department; Harold G. Giles, general manager-corporate human resource operation.

Directors: William F. McLean, MacKenzie McMurray, James A. Baker, D Steele Curry, Frank P. Doyle, Walter G. Ward, Alton S. Cartwright, H. Ian Macdonald, Antoine Turmel, Denis W. Timmis, John A. Urquhart, William R.C. Blundell, Guy St. Germain.

Divisions:

Consumer and Construction Products Division
Manufactures, markets and services television, radios, stereos, kitchen and laundry appliances, room air conditioners, and portable electric housewares. Manufactures lamps. Manufactures and markets electric distribution equipment and devices, wire and cable, heating equipment, lighting equipment,

cemented carbide tools, plastics, synthetic resins and silicones. Markets mobile radios, aerospace products and computer time-sharing services. Distributes electrical products to wholesale trade.

Apparatus and Heavy Machinery Division

Designs, manufactures, markets and services heavy apparatus for electric utilities and primary industries-turbines, generators, switchgear, circuit-breakers, transformers, electrical distribution equipment, process control equipment, motors, paper machines, grinding and rolling mills, mining machinery, drive systems, and other heavy machinery and components. Other products include transportation equipment, nuclear reactor fuel handling systems, meters, instruments and installation and service engineering.

Subsidiaries:

Camco Inc.
Genelcom Limited
Dominion Engineering Company Limited
Canadian General Electric International Limited
Widney Well Servicing (1971) Limited
Montreal Armature Company Limited
W.L. Stevens, Ltd
Cange Limited
Genelcan Limited
Installations Benjamin, Inc.
Sheafer-Townsend Ltd.

Transfer Agent(s):

National Victoria and Gray Trust Company, Limited
Toronto, Ontario, Canada

Stock Exchange(s): Toronto

Ticker Symbol: CGET

Number of Employees:

1984	12,300	1981	19,987
1983	14,657	1980	20,549
1982	17,638		

Sales and Earnings

	Net Sales ‡‡	Net Income
1984	$1,417,700,000	$ 39,802,000
1983	1,392,800,000	38,520,000
1982	1,633,800,000	44,104,000
1981	1,700,102,000	51,120,000
1980	1,465,871,000	44,926,000

	No. of Com. Shares	Earn. per Share #
1984	8,178,000	$ 4.87
1983	8,178,800	4.71
1982	8,178,800	5.39
1981	8,178,800	6.25
1980	8,178,800	5.49

‡‡ Includes sales of products and services.

# Based on the number of common shares outstanding assuming conversion of all cumulative convertible preferred shares.

Revenues By Line of Business

	1984	1983
Elec. apparatus & components	$ 451,302,000	$ 73,263,000
Consumer prods. & services	618,123,000	633,166,000
Machinery, technical syst. & materials	378,490,000	228,283,000
Eliminations	(9,406,000)	(18,374,000)
Total	$1,438,509,000	$1,416,338,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.40	—	—
1983	2.40	—	—
1982	2.30	—	—
1981	1.95	—	—
1980	1.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 504,813,000	$ 61.72
1983	484,639,000	59.26
1982	460,842,000†	56.35
1981	435,551,000†	53.25
1980	400,381,000†	48.95

† After allowing for preferred shares at redemption value of $50 per share.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales & services	$ 1,417,708	$ 1,392,821
Cost of sales & exp.	1,326,937	1,306,687
Depreciation	17,500	22,587
Interest expense	6,422	6,799
Misc. taxes	11,382	11,933
Other income	(20,801)	(23,517)
Income before taxes	$ 76,268	$ 68,332
Income taxes	29,557	23,917
Minority interest	6,909	5,895
Net Income	$ 39,802	$ 38,520

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 14,494	$ 23,823
Receiv., net	326,259	254,242
*Inventories	315,486	272,444
Deferred taxes	8,827	15,029
Current Assets	$ 665,066	$ 565,538
Investments	37,672	30,802
Long-term. receiv.	8,635	26,113
#Fixed assets	209,224	212,332
Oil & gas resource props.	73,100	59,307
Deferred charges & other assets	23,348	24,740
Total Assets	$ 1,017,045	$ 918,832

Liabilities
(000's)

	1984	1983
Short-term borrowings	$ 12,974	$ 10,925
Accts. payable	114,435	87,567
Progress collections	86,525	51,309
Taxes payable	5,833	11,310
Other liabilities	145,272	145,430
Curr. Liabilities	$ 365,039	$ 306,541
Long-term borrowings	32,026	23,938
Accruals	22,603	24,822
Minority interest	27,800	22,852
Deferred inc. taxes	64,764	56,040
+Common stock	26,942	26,942
Retained earnings	477,871	457,697
Total Liabilities & Shareholders' Equity	$ 1,017,045	$ 918,832

* At lower of cost (FIFO) and net realizable value.

# Less accumulated depreciation.

+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	5.38	4.91
%Net Income to Sales	2.81	2.77
%Net Income to Equity	7.88	7.95
Sales to Inventories	4.49	5.11
Working Capital	$300,027,000	$258,997,000
Current Ratio	1.82	1.83
Shareholders' Equity	$504,813,000	$484,639,000

Canadian Marconi Company

2442 Trenton Avenue
Montreal, Quebec, Canada, H3P 1Y9
(514) 341-7630

Officers: James F. Grandy, chairman; P.E. Wheatley, president; J.G. McInnes, comptroller; J. Simons, exec. v.p.-electronic group; J.W. Dodds, v.p.-Special Services Div.; C. Filiatrault, v.p., secretary & general counsel; C. St. Arnaud, exec. v.p.-communications group; G. Stuurop, treasurer, Jean-Guy St. Germain v.p.-human resources; J.J. Kelly, v.p.-finance; L. Leveille, v.p.-Avionics Division; L. Noel, v.p.-Defense Communications Division; D. Rosenthal, v.p.-Components Division; P. Gasser, v.p.-Commercial Communications Division.

Directors: S. Dobb, I.D. Sinclair, T.S. Dobson, J.E. Pateman, R.O. Beauchemin, J.F. Grandy, P.E. Wheatley, P.P. Ralph, W.I.M. Turner, Jr., A.S. Walsh.

Areas of Work: Engaged in the manufacture of highly engineered electronic products for defense and civil use.

Divisions and Subsidiaries:

Avionics Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Engineering, manufacturing, marketing and servicing of Airborne Doppler Navigation systems, automatic Omega receivers. Area Navigation systems, Satellite position location equipment, aircraft instrumentation displays. Manufacturing and marketing printed wiring boards.

Commercial Communications Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Engineering, manufacturing, marketing and servicing of mobile two-way radio and associated base-station equipment, marine radar; VHF-FM marine radio telephones; HF single sideband transmitter-receivers. Marketing and servicing of handheld radio telephones, radio and television broadcast station equipment and electronic test instruments.

Special Services Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Installs radar, communications and air navigation equipment and systems, and operates defense communications and detection systems. Operates repair and overhaul shops for radar, sonar, communications equipment and diesel electric generators, and an approved test equipment repair and calibration laboratory.

Defense Communications Devision
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Engineering, manufacturing and marketing for commercial and military land-based microwave communications equipment, ancillaries, and associated supporting test equipment.

Components Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Designs, manufactures and markets electronic components including multi-layer printed circuit boards, thin film, thick film and hybrid microcircuits, magnetic devices, illuminated panels, alpha-numeric displays and power supplies.

Radar Division
2442 Trenton Avenue
Montreal, Quebec H3P 1Y9
(514) 341-7630

Develops, manufactures and markets surveillance radar transmitter/receivers, antennas, signal processing equipment and systems for commercial and military use on land and sea.

CMC Electronics, Inc.
20 Meridian Road
Eatontown, New Jersey 07724
(201) 389-2522

Sun World Circuits, Inc.
950 Sunshine Lane
Altamonte Springs, Florida 32701

Transfer Agent(s):

Montreal Trust Company
1 PlaceVille Marie
777 Dorchester Boulevard West
Montreal, Canada H3B 4A5

Stock Exchange(s): American, Montreal, Toronto

Canadian Marconi Company

Ticker Symbol: CMW

Number of Employees:

1984	2,731	1981	2,500
1983	2,935	1980	2,200
1982	N.A.		

N.A. - Not Available.

Sales and Earnings ‡

	Revenues	Net Income
1985	$ 313,925,000	$ 52,088,000
1984	256,131,000	37,568,000
1983	198,627,000	18,790,000
1982	155,268,000	19,463,000
1981	129,417,000	13,547,000

	No. of Com. Shares +	Earn. per Share +
1985	23,772,768	$ 2.19
1984	23,772,768	1.58
1983	23,772,768	0.79
1982	23,772,768	0.82
1981	23,772,768	0.57

‡ In Canadian dollars.
+ Adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.27	—	—
1984	0.2325	—	4-for-1
1983	0.2125	—	—
1982	0.1750	—	—
1981	0.1250	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 176,972,000	$ 7.44
1984	131,303,000	5.52
1983	99,262,000	4.18
1982	85,524,000	3.60
1981	70,221,000	2.95

‡ Adjusted to reflect stock split.

Income Account
(000's)

Year ended March 31	1985	1984
Revenues	$ 313,925	$ 256,131
Cost & expenses	232,864	194,198
Depreciation	8,713	7,054
Interest expense	410	462
Income before taxes	$ 71,938	$ 54,417
Income taxes	19,850	16,849
Net Income	$ 52,088	$ 37,568

Assets
(000's)

As of March 31	1985	1984
Cash & temp. invest.	$ 126,425	$ 78,839
Accts. receiv., net	40,605	40,759
Inc. taxes refundable	18,451	—
*Inventories	47,124	51,663
Prepaid expenses	492	517
Current Assets	$ 233,097	$ 171,778
#Fixed assets	28,598	24,544
Total Assets	$ 261,695	$ 196,322

Liabilities
(000's)

Accts. payable & accruals	$ 72,142	$ 52,736
Income taxes	5,189	4,258
Curr. Liabilities	$ 77,331	$ 56,994
Long-term debt	4,758	5,571
Deferred inc. taxes	2,634	2,454
+ Capital stock	10,216	10,216
Retained earnings	166,756	121,087
Total Liabilities & Shareholders' Equity	$ 261,695	$ 196,322

* At lower of cost or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	22.92	21.25
%Net Income to Revenues	16.59	14.67
%Net Income to Equity	29.43	28.61
Working Capital	$155,766,000	$114,784,000
Current Ratio	3.01	3.01
Shareholders' Equity	$176,972,000	$131,303,000

Canrad-Hanovia, Inc.

100 Chestnut Street
Newark, New Jersey 07105
(201) 589-4300

Officers: Carl N Singer, chairman of the board; Carl Krieger, president; Harry J. Shutt, exec. v.p. & treasurer; William R. McGill, controller & asst. secretary; Daniel P. Lund, secretary.

Directors: Carl N. Singer, chairman; John F. Reed, Arthur O. Choate, Jr., Carl Krieger, Philip LeBoutillier, Jr., Jonathan P. Schwartz, Harry J. Shutt.

Divisions and Subsidiaries:

Hanovia
Newark, New Jersey
Designs, develops and produces plasma arc lamps and related equipment including commercial and industrial ultraviolet products.

Strong International
Omaha, Nebraska
Designs, develops and manufactures projection systems and high intensity lighting equipment.

Ballantyne of Omaha, Inc.
Omaha, Nebraska
Manufactures 35mm and 70mm movie projectors, sound equipment, and theater automation equipment and a line of restaurant equipment.

Colight
Minneapolis, Minnesota
Manufactures and markets photo exposure equipment for printed circuit board manufacturing industry.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CNRD (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income (Loss)
1984	$ 27,167,000	$ 889,334
1983	19,735,000	(300,226)
1982	18,429,000	392,000
1981	20,207,000	837,000
1980	19,276,000	1,211,000

	No. of Com. Shares	Earn. per Share #
1984	896,135	$ 0.81
1983	840,135	—
1982	816,000	0.31
1981	816,000	0.80
1980	816,000	1.17

+ Of continuing operations only.
# Based on the weighted average number of common shares and dilutive common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Ultraviolet products	$ 15,773,681	$ 10,469,076
Theatre & restaurant prods.	9,790,254	8,619,386
Other	1,603,489	646,403
Total	$ 27,167,424	$ 19,734,865

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 5,684,249	$ 6.34
1983	4,763,836	5.67
1982	5,140,907	6.30
1981	4,878,606	5.98
1980	4,171,331	5.11

‡ After allowing for preferred stock at par value.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 27,167,424	$ 19,734,865
Cost of sales	19,987,744	14,596,962
Expenses	5,386,512	4,146,332
Interest expense	278,834	101,797
Prov. for plant clos.	—	1,400,000
Income (loss) before taxes	$ 1,514,334	$ (510,226)
Income taxes (credit)	625,000	(210,000)
Net Income (Loss)	$ 889,334	$ (300,226)

* Included in Costs and Expenses, Depreciation and Amortization: $294,882 in 1984 and $223,004 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 134,725	$ 143,149
Accts. receiv., net	3,572,592	2,898,476
*Inventories	7,398,828	6,294,143
Other curr. assets	507,367	906,736
Current Assets	$ 11,613,512	$ 10,242,504
#Fixed assets	2,765,296	2,160,604
Other assets	16,387	71,312
Intangibles	463,679	472,824
Total Assets	$ 14,858,874	$ 12,947,244

Liabilities

Long-term debt, curr.	$ —	$ 4,196
Accts. payable	2,186,453	1,507,242
Accruals	921,450	791,470
Income taxes	436,178	31,500
Accrued plant clos.	349,744	1,400,000
Curr. Liabilities	$ 3,893,825	$ 3,734,408
Long-term debt	2,370,000	1,220,000
Deferred inc. taxes	875,800	1,144,000
Excess of vested benefits	100,000	100,000
+ Preferred stock	1,935,000	1,985,000
+ + Common stock	672,101	630,101
Add. paid-in capital	4,788,927	4,673,448
Ret. earnings (deficit)	223,221	(539,713)
Total Liabilities & Shareholders' Equity	$ 14,858,874	$ 12,947,244

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value.
+ + $0.75 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.57	—
%Net Income to Sales	3.27	—
%Net Income to Equity	11.67	—

Sales to Inventories	3.67	3.14
Working Capital	$7,719,687	$6,508,096
Current Ratio	2.98	2.74
Shareholders' Equity	$7,619,249	$6,748,836

Carco Electronics

195 Constitution Drive
Menlo Park, California 94025
(415) 321-8174

Officers: John M. Carter, president; William M. Schultz, vice president-administration; Rudy Schneider, v.p.-engineering; John A. Watson, v.p.-new products; Samuel R. Curless, vice president-manufacturing; William M. Spont, vice president & technical asst.; Hugh D. Carter, v.p.-materiel; Stephen M. Nevins, treasurer; Helen D. Carter, secretary; Rochelle R. Kowalchik, assistant secretary.

Directors: John M. Carter, Emmet G. Cameron, Robert P. Nelson, Jr., Richard T. Orth.

Areas of Work: Two major product lines are flight motion simulators and microwave test systems.

Transfer Agent(s):

Carco Electronics
195 Constitution Drive
Menlo Park, California

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	N.A.	1981	60
1983	70	1980	44
1982	N.A.		

N.A.-Not Available

Plant Footage:

1984	20,000 sq. ft.	1981	20,000
1983	20,000	1980	20,000
1982	20,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,869,945	$ 80,791
1983	5,452,717	405,709
1982	5,228,228	409,143
1981	5,033,774	458,801
1980	2,391,458	(30,571)

	No. of Com. Shares +	Earn. per Share ‡
1984	401,010	$ 0.20
1983	401,010	0.99
1982	398,100	1.01
1981	396,300	1.14
1980	387,650	—

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.
+ Class A and Class B combined adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.12	—	—
1983	0.12	—	—
1982	0.12	—	2-for-1
1981	—	—	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 2,097,592	$ 5.23
1983	2,064,763	5.15
1982	1,697,746	4.26
1981	1,333,901	3.37
1980	870,234	2.24

+ Based on Class A and Class B stock combined adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 4,869,945	$ 5,452,717
Cost of sales	3,616,607	3,690,406
Expenses	1,085,569	1,004,602
Interest expense	58,943	—
Income before taxes	$ 108,826	$ 757,709
Income taxes	28,035	352,000
Net Income	$ 80,791	$ 405,709

* Included in Costs and Expenses. Depreciation: $21,771 in 1984 and $20,921 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 11,395	$ 696,038
Accts. receiv.	1,329,403	772,216
Income tax receivable	169,900	—
Costs & earn. in exc. of billings	1,452,714	1,228,427
*Inventories	733,920	297,129
Prepaid expenses	31,119	24,633
Deferred inc. taxes	1,404	41,504
Current Assets	$ 3,729,855	$ 3,059,947
#Fixed assets	131,113	82,056
Other assets	14,350	16,350
Total Assets	$ 3,875,318	$ 3,158,353

Liabilities

Notes payable	$ 955,000	$ —
Accrued income taxes	—	21,700
Accts. payable	287,615	113,553
Accruals	342,650	648,176
Billings in exc. of costs	192,461	288,561
Curr. Liabilities	$ 1,777,726	$ 1,071,990
Deferred inc. taxes	—	21,600
+Capital stock:		
Class A	35,126	35,126
Class B	15,000	15,000
Add. paid-in capital	287,968	287,968
Retained earnings	1,759,498	1,726,669
Total Liabilities & Shareholders' Equity	$ 3,875,318	$ 3,158,353

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $0.125 stated value.

Statistical Summary

%Income bef. Taxes to Sales	2.23	13.90
%Net Income to Sales	1.66	7.44
%Net Income to Equity	3.85	19.65
Sales to Inventories	6.64	18.35
Working Capital	$1,952,129	$1,987,957
Current Ratio	2.10	2.85
Shareholders' Equity	$2,097,592	$2,064,763

Centronics Data Computer Corp.

One Wall Street
Hudson, New Hampshire 03051
(603) 883-0111

Officers: Thomas G. Kamp, chairman of the board & chief executive officer; John R. Morrison, president & chief operating officer; Robert Stein, sr. v.p.-finance & treasurer; Ralph Eichstaedt, v.p.-field engineering; Ronald N. Fox, v.p.-operations; Robert W. Kilcullen, Jr., v.p.-marketing, sales, and business management; William L. Poland, v.p.-corporate strategic planning; Jeffrey Weinstein, secretary & general counsel.

Directors: Thomas G. Kamp, chairman; Robert Stein, Larry E. Jodsaas, William F. Buster, Herbert M. Stein, Robert R. Brown, Jack T. Jacob, John R. Morrison.

Areas of Work: Designs, manufactures and markets matrix and line printers, teleprinters and non-impact printers for the computer, data processing and communications industries.

Subsidiaries:

Advanced Terminals, Inc.
Centronics Data Computer(UK) Ltd.
Centronics Canada Inc.
Centronics Ireland B.V..
Centronics N.A., N.V.
Centronics Export Sales Corp.
Centronics Sales Corp.
Centronics Research Inc.
Centronics Data Computer GmbH

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: CEN

Sales and Earnings

	Net Revenues	Net Income †
12/30/84	$ 171,504,000	$ (10,376)
1/1/84	164,129,000	(7,684)
1/2/83*	82,369,000	(18,609,000)
6/27/82	112,671,000	(18,309,000)
6/28/81	120,804,000	(24,544,000)

	No. of Com. Shares	Earn. per Share ‡†
12/30/84	11,461,708	$ —
1/1/84	11,208,230	—
1/2/83*	11,228,407	—
6/27/82	11,226,194	—
6/28/81	6,066,412	—

(Loss)
* 6 months.
† Including extraordinary gain of $324,000 ($0.03 per share) in 1984.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
12/30/84	$ —	—	—
1/1/84	—	—	—
1/2/83	—	—	—
6/27/82	—	—	—
6/28/81	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share
12/30/84	$ 53,115,000	$ 4.63
1/1/84	60,766,000	5.42
1/2/83	67,761,000	6.03
6/27/82	85,969,000	7.66
6/28/81	47,862,000	7.89

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Revenues	$ 171,504	$ 164,129
Cost of sales	137,026	132,801
Expenses	35,874	36,593
Interest expense	2,643	2,396
Plant consolidation costs	5,800	—
Loss before taxes	$ (9,839)	$ (7,661)
Income taxes	861	23
Net Loss	$ (10,700)	$ (7,684)
Extraordinary gain	324	—
Net Loss & extraord. gain	$ (10,376)	$ (7,684)

* Included in Costs and Expenses. Depreciation: $5,635,000 in the year ended 12/30/84 and $4,624,000 in the year ended 1/1/84.

Centronics Data Computer Corp.

Assets
(000's)

As of	12/30/84	1/1/84
Cash	$ 196	$ 1,248
Accts. receiv., net	30,684	21,413
Amts. due from stockholders	980	1,317
*Inventories	64,299	46,955
Prepaid expenses & other assets	1,158	1,107
Investments	16,365	—
Current Assets	$ 113,682	$ 72,040
#Fixed assets	28,471	29,555
Investments	—	16,566
Intangibles	2,267	1,107
Other assets	463	439
Total Assets	$ 144,883	$ 119,707

Liabilities
(000's)

Notes payable	$ 1,136	$ —
Long-term debt, curr.	36,869	120
Accts. payable	20,826	12,162
Amts.due to stockholders	862	1,338
Accruals	17,821	13,792
Income taxes	5,598	5,520
Curr. Liabilities	$ 83,112	$ 32,932
Long-term debt	8,656	26,009
+Common stock	115	112
Add. paid-in capital	71,815	70,035
Accum. deficit	(17,368)	(6,992)
Unearned comp.	(1,447)	(2,389)
Total Liabilities & Shareholders' Equity	$ 144,883	$ 119,707

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

Working Capital	$30,570,000	$39,108,000
Current Ratio	1.37	2.19
Shareholders' Equity	$53,115,000	$60,766,000

Cessna Aircraft Company

5800 Pawnee Road
P.O. Box 1521
Wichita, Kansas 67201
(316) 685-9111

Officers: Russell W. Meyer, Jr., chairman of the board & chief executive officer; R. W. Van Sant, president & chief operating officer; Russell R. Roth, sr. v.p.-finance; Brian E. Barents, sr. v.p.-aircraft marketing; John E. Moore, sr. v.p.-personnel & community relations; Homer G. Nester, v.p. & treasurer; Pierre Clostermann, v.p.; William A. Boettger, sr. v.p.-new business development; Bruce E. Peterman, v.p.-product engineering and planning; Steven R. Buren, controller; David R. Edwards, secretary.

Directors: Donald C. Slawson, Kenneth J. Wagnon, Russell W. Meyer, Jr., Lawrence M. Jones, John T. Stewart, III, R. W. Van Sant, David S. Lewis.

Areas of Work: Manufactures prop & jet commercial aircraft and jet fighters for military use, and handles contract work for airplane components. Engaged in the manufacture of avionics, propellers and other accessories for general aviation; produces airborne navigation, communication, aircraft guidance and radar response devices and systems. Also manufactures fluid power systems and products, including hydraulic cylinders, valves and controls, pumps and complete hydraulic systems for agricultural, industrial equipment and materials handling manufactures.

Divisions:

Aircraft Division
Wichita, Kansas 67102

Wallace Aircraft Division
Wichita, Kansas 67201

Fluid Power Division
P.O. Box 1028
Hutchinson, Kansas 76501
(316) 662-5411

McCauley Accessory Division
3535 McCauley Drive
P.O. Box 430
Dayton, Ohio 45377
(513) 890-5246

Citation Marketing Division
Wichita, Kansas 76201

Product Support Division
Wichita, Kansas

Piston Aircraft Marketing Division
Wichita, Kansas

Conquest Marketing Division
Wichita, Kansas

International Marketing Division
Wichita, Kansas

Subsidiaries:

Cessna Finance Corporation
P.O. Box 308
Wichita, Kansas 76201
(316) 685-5456

Cessna International Finance Corp.
P.O. Box 2078
Wichita, Kansas 67201
(316) 685-3705

United Hydraulics Corporation
Hampton, Iowa

Cessna Fluid Power Limited
Glenrothes, Scotland

Reims Aviation, S.A.
Reims, France

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York 10015

Fourth National Bank & Trust Company
P.O. Box 1090
Wichita, Kansas 67201

Stock Exchange(s): New York, Pacific

Ticker Symbol: CEA

Number of Employees: (average)

1984	8,645	1981	15,838
1983	7,657	1980	18,024
1982	11,542		

Sales and Earnings

	Net Sales	Net Income
1984	$ 693,586,278	$ 949,408
1983	524,395,393	(18,845,286)
1982	831,527,765	18,077,814
1981	1,060,097,076	60,566,222
1980	1,000,060,521	28,121,554

	No. of Com. Shares	Earn. per Share #
1984	19,682,627	$ 0.05
1983	19,186,594	—
1982	19,157,081	0.94
1981	19,202,552	3.19
1980	18,674,482	1.51

(Loss)
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983	1982	1981
Aircraft products	87%	86%	88%	90%
Fluid power products	13	14	12	10
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.40	—	—
1982	0.60	—	—
1981	0.60	—	—
1980	0.59	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 334,662,900	$ 17.00
1983	327,782,284	17.08
1982	351,966,278	18.37
1981	345,577,975	18.00
1980	290,013,951	15.53

Income Account

Year ended Sept. 30	1984	1983
Net sales	$ 693,586,278	$ 524,395,393
Earn. of fin. subsid.	19,770,674	24,632,474
Other income	5,317,877	9,272,178
Total Income	$ 718,674,829	$ 558,300,045
Cost of sales	622,117,150	465,700,628
Expenses	104,777,021	111,367,050
Depreciation	12,155,397	12,638,512
Interest expense	11,314,853	6,039,141
Loss before taxes	$ (31,689,592)	$ (37,445,286)
Tax credit	(32,639,000)	(18,600,000)
Net Income (Loss)	$ 949,408	$ (18,845,286)

Assets

As of Sept. 30	1984	1983
Cash	$ 3,294,836	$ 53,046,744
Accts. & notes receiv., net	59,893,857	50,838,305
Refund. income taxes	27,642,472	22,973,000
*Inventories	232,047,244	220,021,418
Deferred inc. tax benefits	30,750,026	43,183,826
Prepaid expenses	1,013,481	1,097,255
Current Assets	$ 354,641,916	$ 391,160,548
Investments	148,851,200	138,043,526
#Fixed assets	82,671,829	92,930,061
Defer. charges & other assets	88,079,288	76,652,750
Total Assets	$ 674,244,233	$ 698,786,885

Liabilities

Long-term debt, curr.	$ 3,210,000	$ 4,290,000
Accts. payable	43,977,969	35,630,635
Accruals	106,905,901	91,914,224
Customer deposits	48,095,098	86,095,655
Income taxes	4,787,365	2,878,087
Curr. Liabilities	$ 206,976,333	$ 220,808,601
Long-term debt	121,955,000	125,165,000
Deferred inc. taxes	10,650,000	25,031,000
+Common stock	19,760,196	19,245,916
Add. paid-in capital	89,243,536	76,771,021
Retained earnings	230,084,876	236,957,670
Treasury stock	(1,330,201)	(1,093,257)
Restricted stock plan	(3,095,507)	(4,099,066)
Total Liabilities & Shareholders' Equity	$ 674,244,233	$ 698,786,885

* At lower of cost (LIFO) or estimated value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Sales	0.14	—
%Net Income to Equity	0.28	—
Sales to Inventories	2.99	2.38
Working Capital	$147,665,583	$170,351,947

Current Ratio	1.71	1.77
Shareholders' Equity	$334,662,900	$327,782,284

Cetec Corporation

9900 Baldwin Place
El Monte, California 91731
(818) 442-8840

Mailing Address:

P.O. Box 5348
El Monte, California 91734

Officers: Hugh P. Moore, chairman; Robert A. Nelson, president & chief exec. officer; Rodney K. Madsen, Rodney C. Minium, v.p.'s; George M. McCollister, secretary & treasurer; Theodore J. Budzan, Paul E. Sexton, asst. secretaries.

Directors: Hugh P. Moore, chairman; Richard A. Campbell, Robert C. Sherburne, John E. Fields, Richard C. Fuller, Robert A. Nelson, Edwin B. Kanner.

Areas of Work: Major business segments include communications and related products, electronics and industrial products. Operations in the communications segment consist primarily of the design, manufacture and marketing of radio broadcasting equipment, professional audio duplicating equipment and loudspeakers. The electronics segment manufactures and markets automatic pilots to the boating industry and markets software services and distributes electronic components to other equipment manufacturers. The industrial segment produces rigid, semi-rigid, and flexible extruded vinyl products having numerous applications, and a variety of injection molded products.

Divisions and Subsidiaries:

Cetec Anco Division
1720 North Santa Anita Avenue
South El Monte, California 91733
(213) 579-1900

Manufactures extruded vinyl products for construction, model homes, electronic and furniture industries.

Cetec Benmar Division
3000 West Warner Avenue
Santa Ana, California 92704
(714) 540-5120

Produces automatic pilots for the pleasure yachting and commercial markets.

Cetec Gauss Division
9130 Glenoaks Boulevard
Sun Valley, California 91352
(213) 875-1900

Professional audio and duplicating equipment, and loudspeakers.

Cetec Electronics Division
5610 East Imperial Highway
South Gate, California 90280
(213) 733-6521

Distributors of electronic components, electrical connectors, potentiometers, tantalum capacitors, transformers and resistors. The Division serves California with offices in Los Angeles, San Francisco, and San Diego.

Cetec Vega Division
P.O. Box 5348
9900 Baldwin Place
El Monte, California 91734
(213) 442-0782

Products include wireless microphone systems, microphones, tone and analog telemetry systems and components.

Cetec Antennas Division
6939 Power Inn Road
Sacramento, California 95828
(916) 383-1177

Produces circularly polarized FM and TV antennas, FM antennas, harmonic filters, military antennas, match diplexers, VSB filters, filterplexers, and special supporting towers.

Cetec International Ltd.
Unit 15, North Field Industrial Estate
Beresford Avenue
Wembley, Middlesex England HAO 1YB

Markets and services U.S. built Cetec products lines in Europe.

Cetec Guardian Division
1428 North Manzanita Street
Orange, California 92667

Supplies injection-molded plastic containers and components to the health care, and electronics industries.

Cetec Ivie
1366 West Center Street
Orem, Utah 84057
(801) 224-1800

Cetec Raymer
7315 Fulton Avenue
North Hollywood, California 91605
(818) 764-3434

Cetec Software Services
13047 Artesia Boulevard, Suite 204
Cerritos, California 90701
(213) 926-6537

Transfer Agent(s):

First Interstate Bank
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): American, Pacific

Ticker Symbol: CEC

Number of Employees:

1984	—	1981	543
1983	677	1980	602
1982	569		

Plant Footage:

1984	—	1981	332,000
1983	350,862 sq. ft.	1980	334,000
1982	N.A.		

N.A.-Not Available.

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 75,663,000	$ 1,961,000
1983	72,812,000	1,415,000
1982	57,296,000	889,000
1981	56,833,000	1,140,000
1980	56,142,000	1,575,000

	No. of Com. Shares #	Earn. per Share #
1984	2,269,000	$ 0.86
1983	2,296,000	0.61
1982	2,214,000	0.40
1981	2,256,000	0.50
1980	2,187,000	0.72

‡ Of continuing operations only.
# Based on the weighted average number of common shares and dilutive common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Cetec electronics group	$ 39,917,000	$ 38,641,000
Cetec broadcast group	22,416,000	20,898,000
Cetec industrial group	13,440,000	13,309,000
Miscellaneous & eliminations	(110,000)	(36,000)
Total	$ 75,663,000	$ 72,812,000

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1984	$ 16,250,000	$ 7.16
1983	15,001,000	6.53
1982	13,845,000	6.25
1981	13,430,000	5.95
1980	12,164,000	5.56

‡ After allowing for preferred shares at a redemption value of $10 per share.
# Based on the weighted average number of common shares and dilutive common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 75,663,000	$ 72,812,000
Cost of sales	55,926,000	55,023,000
Expenses	15,260,000	14,446,000
Interest expense	772,000	675,000
Income before taxes	$ 3,705,000	$ 2,668,000
Income taxes	1,744,000	1,253,000
Net Income	$ 1,961,000	$ 1,415,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,174,000 in 1984 and $1,050,000 in 1983.

Assets

	1984	1983
Cash	$ 1,778,000	$ 1,081,000
Accts. receiv., net	7,713,000	9,090,000
*Inventories	14,008,000	11,620,000
Prepaid expenses	864,000	960,000
Current Assets	$ 24,363,000	$ 22,751,000
#Fixed assets	6,714,000	5,971,000
Other assets	287,000	352,000
Intangibles	450,000	471,000
Total Assets	$ 31,814,000	$ 29,545,000

Liabilities

Long-term debt, curr.	$ 474,000	$ 769,000
Accts. payable	4,116,000	4,444,000
Accruals	1,974,000	1,929,000
Accrued payroll	1,460,000	1,353,000
Income taxes	326,000	461,000
Curr. Liabilities	$ 8,350,000	$ 8,956,000
Long-term debt	6,386,000	4,690,000
Deferred inc. taxes	520,000	482,000
Deferred credit	148,000	256,000
+ Preferred stock	160,000	160,000
+ + Common stock	630,000	621,000
Add. paid-in capital	5,424,000	5,216,000
Retained earnings	10,196,000	9,164,000
Total Liabilities & Shareholders' Equity	$ 31,814,000	$ 29,545,000

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $10 par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	4.90	3.66
%Net Income to Sales	2.59	1.94
%Net Income to Equity	11.95	9.33
Sales to Inventories	5.40	6.27
Working Capital	$16,013,000	$13,795,000
Current Ratio	2.92	2.54
Shareholders' Equity	$16,410,000	$15,161,000

Chrysler Corporation

P.O. Box 1919
Detroit, Michigan 48288
(313) 956-5252

Officers: Lee A. Iacocca, chairman of the board; Gerald Greenwald, vice chairman; Harold K. Sperlich, president; Richard E. Dauch, exec. v.p.-manufacturing; Stephan Sharf, exec. v.p.-mfg.; Bennett E. Bidwell, exec. v.p.-office of chairman; Joseph A. Campana, v.p.-marketing; Robert A. Perkins, v.p.-Washington office; Robert M. Sinclair, v.p.-engineering; Christopher J. Steffen, v.p. & controller; Ronald L. Steward, v.p.-body and asselbly operations; Baron K. Bates, v.p.-public relations; George F. Butts, v.p.-quality & productivity; M.J. Closs, v.p.-Chrysler Corp., pres.-Chrysler Canada; Thomas G. Denomme, v.p.-corp. strategic planning; Richard Goodyear, v.p., gen. counsel & sec.; Edwin O. Grote,

Chrysler Corporation

v.p.-Chrysler Corp., pres.-Chrysler Financial; E.T. Pappert, v.p.-U.S. Auto Sales; Don R. DeLaRossa, v.p.-product design; L. Donald Gschwind, v.p.-program management office; Jerry L. Mathis, v.p.-car & truck assembly operations; R.S. Miller, Jr., exec. v.p.-finance & administration; Thomas W. Miner, v.p.-industrial relations; David R. Platt, group v.p.-procurement & supply; Lee H. Runk, v.p.-component business operations; Glenn E. White, v.p.-personnel & organization; John D. Withrow, Jr., exec. v.p.-product development; Frederick W. Zuckerman, v.p. & treasurer; Erick A. Reickert, v.p.-advance product planning.

Directors: Lee A. Iacocca, chairman of the board: J. Paul Bergmoser, A. Jean de Grandpre, Najeeb E. Halaby, Anthony J.A. Bryan, Harold K. Sperlich, Joseph A. Califano, Jr., Stephan Sharf, J. Paul Sticht, Gerald Greenwald, Lilyan H. Affinito, Bennett E. Bidwell, Ronald H. Grierson, Juanita M. Kreps, William G. Milliken, Malcolm T. Stamper, Owen F. Bieber, John H. Johnson, Robert J. Lanigan, Robert S. Miller, Jr.

Areas of Work: Products include cars, trucks, automotive parts and accessories, defense and space products, outboard motors, inboard marine engines and industrial engines, power metal products and chemical products.

Non-Automotive Plants & Division:

Military-Public Electronics Systems Division
Huntsville, Alabama

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

Montreal Trust Company
Montreal and Toronto, Canada

Stock Exchanges:*

New York, Midwest, Philadelphia, Pacific, Montreal, Toronto, Paris, London, Frankfurt, Geneva, Basel, Zurich.

Number of Employees:

1984	N.A.	1981	87,825
1983	81,478	1980	92,596
1982	73,714		

Plant Footage:*

1984	N.A.	1981	61,523,000
1983	56,521,900 sq.ft.	1980	64,673,000
1982	N.A.		

* In United States only.
N.A. - Not Available.

Sales and Earnings

	Net Sales + (000's)	Net Income † (000's)
1984	$ 19,572,700	$ 2,380,000
1983	13,263,800	700,900
1982	10,056,500	170,100
1981	9,971,600	(475,600)
1980	8,600,000	(1,709,700)

	No.of Com. Shares ‡	Earn. per Share ‡†
1984	123,841,000	$ 18.88
1983	116,039,000	5.79
1982	76,700,000	1.84
1981	70,300,000	—
1980	66,871,000	—

(Loss)
+ Of continuing operations only.
‡ Based on the average number of shares outstanding.
† Including extraordinary gains of $883,900,000 ($7.09 per share) in 1984, $399,000,000 ($3.44 per share) in 1983 and $66,900,000 ($0.87 per share) in 1982.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.85	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 3,305,900	$ 26.69
1983	1,143,100	9.85
1982	(329,800)	—
1981	(539,500)	—
1980	(104,000)	—

‡ Based on the average number of shares outstanding.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 19,572,700	$ 13,263,800
Eq. in net earn. of unconsol. subsid.	126,100	90,800
Other income	18,400	32,900
Total income	$ 19,717,200	$ 13,387,500
Cost of sales	15,528,200	10,861,200
Expenses	987,700	804,900
Depreciation & amortization	554,400	457,200
Pension benefit	267,300	254,700
Interest (income)	(50,700)	82,100
Writedown of invest. in Peugeot	—	223,900
Inc. bef. taxes	$ 2,430,300	$ 703,500
Income taxes	934,200	401,600
Net Income	$ 1,496,100	$ 301,900
Extraord. gain	883,900	399,000
Net Income & extraord. gain	$ 2,380,000	$ 700,900

Assets
(000's)

As of Dec. 31	1984	1923
Cash & time deposits	$ 75,200	$ 111,600
Marketable securities	1,624,900	957,800
Accts. receiv. net	332,200	291,200
*Inventories	1,625,900	1,301,400
Prepaid pension expense	243,000	—
Prepaid expenses	78,700	91,800
Current Assets	$ 3,979,900	$ 2,753,800
Investments & other assets	1,369,600	963,500
#Fixed assets	3,713,200	3,055,000
Total Assets	$ 9,062,700	$ 6,772,300

Liabilities
(000's)

Long-term debt, curr.	$ 42,800	$ 55,700
Accts. payable	2,323,000	1,579,100
Accruals	893,600	623,900
Short-term debt	6,700	361,100
Employee comp.	588,400	618,800
Income taxes	13,600	3,100
Other taxes	180,700	178,700
Interest payable	36,200	33,500
Dividends payable	30,700	—
Curr. Liabilities	$ 4,115,700	$ 3,453,900
Long-term debt	760,100	1,104,000
Def. empl. benefit plan	362,300	417,600
Other liab.	497,000	431,500
Deferred income taxes	21,700	—
+ Redeem. pref. stock: $2.75 shares	—	225,000
Preferred treas. stock	—	(2,800)
+ + Common stock	123,900	121,800
Add paid-in capital	2,325,300	2,276,400
Retained earnings (deficit)	921,200	(1,255,100)
Treasury Stock	(64,500)	—
Total Liabilities & Shareholders' Equity	$ 9,062,700	$ 6,772,300

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	12.42	5.31
%Net Income to Sales	7.64	2.28
%Net Income to Equity	45.26	26.41
Sales to Inventories	12.04	10.17
Working Capital	$ 135,800,000	—
Current Ratio	0.97	—
Shareholder's Equity	$3,305,900,000	$1,143,100,000

Clarostat Mfg. Co., Inc.

Washington Street
Dover, New Hampshire 03820
(603) 742-1120

Officers: Glen E. Swanson, chairman of the board and president; Russell E. White, executive vice president; Frank L. Ward, v.p.-engineering; Arthur Richenthal, secretary and treasurer.

Directors: Steven F. Gross, Arthur Richenthal, Glen E. Swanson, Russell E. White.

Areas of Work: Engaged in the manufacture and sale of resistors, rheostats, potentiometers, resistor networks, switches in both wire wound and conductive plastic forms. Also engaged in the design, development and manufacture of electro-mechanical switching devices.

Subsidiaries:

Clarostat-Richmond, Inc.
Richmond, Maine 04357
(603) 742-1120

Clarostat-Gorham, Inc.
Gorham, Maine 04038
(603) 742-1120

Clarostat-Norway, Inc.
Norway, Maine 04062
(603) 742-1120

Mason Electric Company, Inc.
440 West Los Feliz Boulevard
Glendale, California 90024
(213) 240-6800

Transfer Agent(s):

American Stock Transfer Co.
99 Wall Street
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: CLR

Number of Employees:

1984	688	1981	750
1983	629	1980	725
1982	700		

Plant Footage:

1984	384,000 sq. ft.	1981	384,000
1983	384,000	1980	384,000
1982	384,000		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 27,601,607	$ 1,765,959
1983	23,283,551	1,268,165
1982	21,594,526	737,603
1981	21,483,507	638,261
1980*	20,242,899	532,579

	No. of Com. Shares +	Earn. per Share +
1984	476,094	$ 3.71
1983	476,094	2.66

1982	508,493	1.45
1981	554,194	1.15
1980*	554,194	0.96

* 53 weeks.
‡ Includes other revenues; of continuing operations only.
+ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.30	—	—
1982	0.30	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,738,085	$ 22.55
1983	9,305,392	19.55
1982	8,180,055	16.09
1981	9,362,055	16.89
1980	8,723,794	15.74

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended	12/29/84	12/31/83
Net sales & other revenues	$ 27,601,007	$ 23,283,551
Cost of sales	19,067,707	16,738,312
Expenses	4,316,186	3,353,049
Research & develop.	659,641	585,796
Interest expense	21,014	33,229
Income before taxes	$ 3,536,459	$ 2,573,165
Income taxes	1,770,500	1,305,000
Net Income	$ 1,765,959	$ 1,268,165

* Included in Costs and Expenses, Depreciation: $501,394 in 1984 and $521,159 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 576,284	$ 512,507
Cert. of deposit	1,578,000	1,008,957
Market. secur.	641,774	496,411
Accts. receiv., net	3,592,139	3,355,722
*Inventories	4,480,558	3,471,835
Prepaid expenses & sundry receiv.	612,081	395,098
Current Assets	$ 11,480,836	$ 9,240,530
Investments	—	37,775
#Fixed assets	2,104,989	2,246,744
Total Assets	$ 13,585,825	$ 11,525,049

Liabilities

Long-term debt, curr.	$ 30,000	$ 25,000
Accts. payable	526,670	615,363
Accrued payrolls & other expenses	1,412,176	919,436
Income taxes	364,694	104,358
Curr. Liabilities	$ 2,333,540	$ 1,664,157
Long-term debt	270,000	300,000
Deferred inc. taxes	244,200	255,500
+Common stock	476,094	476,094
Add. paid-in capital	841,815	841,815
Retained earnings	9,420,176	7,987,483
Total Liabilities & Shareholders' Equity	$ 13,585,825	$ 11,525,049

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.81	11.05
%Net Income to Sales	6.40	5.45
%Net Income to Equity	16.45	13.63
Working Capital	$ 9,147,296	$7,576,373
Current Ratio	4.92	5.55
Shareholders' Equity	$10,738,085	$9,305,392

Cognitronics Corporation

25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Officers: David H. Shepard, president and chief executive officer; William J. Lawless, Jr., chairman; Ralph Palermo, vice chairman; Matthew J. Flanigan executive v.p. and chief operating officer; Harvey L. Cook, v.p.-technical advisor; Edward J. Gushue, v.p.-intnl. operations; D. Clark Murphy, v.p.-govt. & OEM sales; Robert Barron, v.p.-Reston operations; Gerard Insolia, v.p.-engineering; Alton B. Duncanson, v.p.-support services; Harold F. Mayer, secretary & treasurer.

Directors: Ralph Palermo, David H. Shepard, Edward J. Gushue, Hugh C. Wolfe, William J. Lawless, Jr., Harvey L. Cook, Richard K. Van Nostrand, Edward S. Davis, Anthony E. Fahnestock, Matthew J. Flanigan.

Areas of Work: Engaged in developing, manufacturing and marketing computer systems, hardware and software which scan and process documents for a variety of applications.

Divisions and Subsidiaries:

OCR/OMR Scanning Divisions
Data Scan Division
25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Speechmaker Division
25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Manufactures and markets hardware that allows computers to provide direct voice response of the data retained in their stored memories.

Stamford Tool & Die-Customatic, Inc.
25 Crescent Street
Stamford, Connecticut 06906
(203) 327-5307

Manufactures machine parts and designs and develops special tools dies, and phototype parts with heavy emphasis on high tolerance precision works.

American Computer Corporation

The company has developed a multi-user, true data base software system of its own design and has been applying it to the accounting and patient information management problems of physician and dentist.

William Reed Printing, Inc.

Commercial printer with full range of presses and equipment for printing business forms.

Transfer Agent(s):

The Bank of New York
90 Washington Street
New York, New York

Stock Exchange(s): American

Ticker Symbol: CGN

Sales and Earnings

	Revenues +	Net Income ×
1984	$ 14,876,757	$ (1,859,380)
1983	13,833,466	894,916
1982	11,796,954	437,129
1981	10,505,350	356,136
1980	9,908,790	1,001,878

	No. of Com. Shares	Earn. per Share ‡ ×
1984	2,142,120	$ —
1983	2,085,015	0.48
1982	1,568,139	0.28
1981	1,557,466	0.23
1980	1,539,110	0.65

(Loss)
+ Includes net sales, rentals and other income.
× Including extraordinary credit of $196,000 ($0.13 per share) in 1980.
‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 10,102,978	$ 4.72
1983	11,631,148	5.58
1982	4,891,913	3.12
1981	4,424,685	2.84
1980	4,018,225	2.61

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 12,964,909	$ 12,220,493
Other income	1,911,848	1,612,973
Total income	$ 14,876,757	$ 13,833,466
Cost of sales & service	9,995,743	8,472,226
Expenses	5,699,851	3,721,655
Interest expense	62,725	132,669
Cost in exc. of assets acq.	1,652,818	—
Income (loss) bef. taxes	$ (2,534,380)	$ 1,506,916
Income taxes (credit)	(675,000)	612,000
Net Income (Loss)	$ (1,859,380)	$ 894,916

Assets

As of Dec. 31	1984	1983
Cash	$ 241,817	$ 2,900,893
Accts. receiv., net	3,515,994	2,856,204
Refundable income taxes	615,226	—
*Inventories	4,623,616	3,272,580
Investments, curr.	211,549	202,861
Other assets	290,143	189,735
Deferred income taxes	361,000	—
Current Assets	$ 9,859,345	$ 9,422,273
Equip. for leasing	52,752	66,750
Investments, non-curr.	320,913	425,027
#Fixed assets	3,365,666	2,812,065
Deposits & other assets	453,857	845,588
Total Assets	$ 14,052,533	$ 13,571,703

Liabilities

Notes payable	$ 1,000,000	$ —
Accts. payable	1,132,985	657,090
Accruals	941,510	1,078,465
Due to affiliates	200,860	—
Long-term debt, curr.	66,950	—
Curr. Liabilities	$ 3,342,305	$ 1,735,555
Deferred income taxes	427,000	205,000
Long-term debt	180,250	—
+ Common stock	428,424	417,003
Add. paid-in capital	12,881,303	12,561,514
Deficit	(3,205,749)	(1,347,369)
Total Liabilities & Shareholders' Equity	$ 14,052,533	$ 13,571,703

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	12.33
%Net Income to Sales	—	7.32
%Net Income to Equity	—	7.69
Sales to Inventories	2.80	3.73
Working Capital	$6,517,040	$7,686,718
Current Ratio	2.95	5.43
Shareholders' Equity	$10,102,978	$11,631,148

Coherent, Inc.

3210 Porter Drive
P.O. Box 10321
Palo Alto, California 94303
(415) 493-2111

Officers: James L. Hobart, chairman of the board; Henry E. Gauthier, president & chief exec. officer; James J. Donovan, sr. v.p. & general manager; Robert J. Quillinan, v.p. & chief financial officer; Donald W. Bennett, v.p. & president-Coherent General; Ronald M. Pattich, v.p. & gen. mgr.-Components Group; Albert D. Battista, v.p. & v.p.-Coherent General; Lawrence W. Sonsini, secretary; Dorothy E. Farrand, asst. secretary.

Directors: James L. Hobart, Franklin P. Johnson, Jr., Pierre R. Lamond, Theo H. McCourtney, Jr., Henry E. Gauthier, Charles W. Cantoni, Thomas Sloan Nelsen.

Areas of Work: Design, manufacture and sale of commercial lasers, optics, accessories and laser-based products for medical, construction, scientific and industrial markets.

Divisions and Subsidiaries:

Medical Group
3270 W. Bayshore Road
P.O. Box 10122
Palo Alto, California 94303
(415) 858-2250

Develops, manufactures and markets laser instruments for both the diagnosis and treatment of illness.

Components Group
2301 Lindbergh Street
Auburn, California 95603
(916) 823-9550

Develops and manufactures standard products which combine state-of-the-art electronics with technologies in lasers and optics for OEM and industrial applications. Products include scanners for reading Universal Product Code (UPC) labels in supermarket electronic point-of-sale systems, and bar code readers.

Scanning Systems Division
3750 Monroe Avenue
Pittsford, New York 14534
(716) 248-8480

Prototype and special purpose lenses to the optical instrument field and to a variety of lens users, laser scanners and laser accessories, optical accessories used with lasers and associated technologies.

Lambda Physik GmbH
Hans Boeckler Strasse 12
3400 Gottingen, West Germany
551-64084

Coherent Japan Company, Ltd.
203 Crescent Plaza
4-6 Minami-Aoyama 2-Chome
Akasaka, Minato Ku
Tokyo 107, Japan
(03)-402-1963

Coherent General, Inc.
1 Picker Road
Sturbridge, Massachusetts 01566
(617) 347-2681

Coherent (UK) Ltd.
Cambridge Science Park
Milton Road
Cambridge CB4 4BH, England
(0223) 68501

Coherent GmbH
Senefelder Str. 10
6047 Roedermark 2
Ober-Roden, West Germany

Lambda Physik
298 Great Road
Acton, Massachusetts 01720
(617) 275-9230

Lambda Physik GmbH
Hans Boeckler Stresselz
3400 Gottingen
West Germany
06102-27073-77

Coherent General GmbH
Hertzstrasse 6
8047 Munchen (Karlsfeld)
West Germany
81-31-9020

Laser Systems SA
3a 15, Rue Denis-Papin
F-95250 Beauchamp
France
(30) 995-79-11

Coherent General S.A.
222 Ave. de Broqueville
B-1200 Brussels
Belgium
2-771-21-66

Coherent Miyama Co.
3537 Bijogi
Toda-Shi
Saitama 335
Japan
(484) 21-8531

Coherent Kowa, Ltd.
24-3, Nishi-Hashimoto-1-Chome
Sagamihara-SH1, Kanagawa-Ken
Japan
047

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: COHR (NASDAQ)

Number of Employees:

1984	1,303	1981	1,160
1983	1,164	1980	1,022
1982	1,238		

Sales and Earnings

	Net Sales	Net Income
1984	$ 111,406,000	$ 12,932,000
1983	91,303,000	4,042,000
1982	80,341,000	(716,000)
1981	69,448,000	1,631,000
1980	61,268,000	1,357,000

	No. of Com. Shares +	Earn. per Share #
1984	7,626,000	$ 1.65
1983	7,348,000	0.58
1982	5,895,000	—
1981	5,841,000	0.29
1980	4,615,000	0.29

(Loss)
+ Adjusted to reflect stock splits.
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Electro-Optical Prods.	$ 78,187,000	$ 63,261,000
Medical Prods.	45,253,000	35,109,000
Intersegment sales	(12,034,000)	(7,067,000)
Total	$ 111,406,000	$ 91,303,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	3-for-2
1983	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 69,532,000	$ 9.12
1983	54,489,000	7.42
1982	30,718,000	5.21
1981	31,114,000	5.33
1980	17,016,000	3.69

† Adjusted to reflect stock splits.

Income Account *

Year ended	9/29/84	10/1/83
Net sales	$ 111,406,000	$ 91,303,000
Cost of sales	64,574,000	57,645,000
Expenses	37,896,000	28,818,000
Non-recurr. gains	(2,715,000)	393,000
Other exp. (income)	(6,517,000)	(2,367,000)
Income (loss) before taxes	$ 18,168,000	$ 6,814,000
Income taxes	5,236,000	2,772,000
Net Income (Loss)	$ 12,932,000	$ 4,042,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,262,000 in 1984 and $2,120,000 in 1983.

Assets

As of	9/29/84	10/1/83
Cash	$ 31,180,000	$ 17,901,000
Accts. receiv. net	34,571,000	27,711,000
*Inventories	25,216,000	21,946,000
Prepaid expenses	3,687,000	745,000
Deferred taxes	763,000	2,896,000
Current Assets	$ 95,417,000	$ 71,199,000
#Fixed assets	9,794,000	8,040,000
Goodwill	6,795,000	6,981,000
Other assets	1,589,000	3,972,000
Total Assets	$ 113,595,000	$ 90,192,000

Liabilities

Notes payable	$ 2,879,000	$ 3,302,000
Accounts payable	5,617,000	4,586,000
Accruals	7,661,000	6,343,000
Accrued payroll	5,007,000	3,612,000
Income taxes	1,842,000	2,227,000
Reserve for warranty	4,918,000	3,720,000
Current Liabilities	$ 27,924,000	$ 23,790,000
Long-term debt	4,556,000	3,141,000
Def. gain on bldg. sale	3,356,000	3,751,000
Deferred revenue	2,090,000	3,000,000
Deferred inc. taxes	402,000	2,021,000
Minority interest	5,735,000	—
+Common stock	1,678,000	1,616,000
Add. paid-in capital	40,811,000	37,719,000
Stock subscription receivables	(174,000)	(174,000)
Retained earnings	28,260,000	15,328,000
Translation adj.	(1,043000)	—
Total Liabilities & Shareholders' Equity	$ 113,595,000	$ 90,192,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.31	7.46
%Net Income to Sales	11.61	4.43
%Net Income to Equity	18.60	7.42
Sales to Inventories	4.42	4.16
Working Capital	$67,593,000	$47,409,000
Current Ratio	3.43	2.99
Shareholders' Equity	$69,532,000	$54,489,000

Cohu, Inc.

5725 Kearny Villa Road
San Diego, California 92123
(714) 277-6700

Officers: William S. Ivans, chairman; James W. Barnes, president and chief executive officer; A. Mack Rodgers, vice president & counsel; Charles A. Schwan, v.p.-finance.

Directors: William S. Ivans, Robert W. Kerns, John E. Goode, Jr., J.M. Keeney, F.W. Davis, W.N. Jenkins, G.E. Leary, R.C. Sebold, James W. Barnes, Charles L. Blake.

Colt Industries Inc.

Divisions:

Electronics Division
5725 Kearny Villa Road
San Diego, California 92123
(714) 277-6700

Major products include broadcast and closed-circuit TV systems, color film cameras, environmental, underwater and radiation-tolerant cameras, high resolution cameras, audio and video switching systems and voltage standards.

Subsidiaries:

Broadcast Microwave Services, Inc.

Manufactures microwave radios, antenna systems and support equipment used to transmit television video and audio signals.

Delta Design, Inc.
5715 Kearny Villa Road
San Diego, California 92113
(714) 292-5000

Supplies specialized electro-mechanical test equipment such as transistors and integrated circuits to the semiconductor industry.

FRL, Incorporated
1005 I Street
Los Banos, California 93635
(209) 826-3292

Supplier of metal detection equipment to the public utility industry, and to prospectors and hobbyists.

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Stock Exchange(s): American

Ticker Symbol: COH

Number of Employees:

1984	363	1981	326
1983	342	1980	344
1982	316		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 23,268,779	$ 1,740,902
1983	19,680,820	1,217,849
1982	18,322,150	573,788
1981	19,326,015	1,199,526
1980	18,866,539	1,349,096

	No. of Com. Shares †	Earn. per Share †
1984	1,739,256	$ 1.00
1983	1,733,352	0.70
1982	1,731,086	0.33
1981	1,722,035	0.70
1980	1,686,535	0.80

‡ Includes other income; of continuing operations only.
† Based on average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Television cameras & equipment	$ 8,885,401	$ 8,677,057
Electronic test & detection apparatus	14,383,378	11,003,763
Total	$ 23,268,779	$ 19,680,820

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.19	—	—
1983	0.16	—	—
1982	0.16	—	—
1981	0.16	—	—
1980	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 13,399,459	$ 7.51
1983	11,634,073	6.71
1982	10,679,574	6.17
1981	10,379,751	6.00
1980	9,307,685	5.50

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 23,268,779	$ 19,680,820
Cost of sales	14,290,904	12,121,041
Expenses	6,366,113	5,784,617
Int. & div. income	(209,140)	(127,015)
Gain on sale of land	(160,000)	(205,672)
Income before taxes	$ 2,980,902	$ 2,107,849
Income taxes	1,240,000	890,000
Net Income	$ 1,740,902	$ 1,217,849

*Included in Costs and Expenses, Depreciation and Amortization: $410,644 in 1984 and $321,805 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 1,718,563	$ 1,010,884
Market. secur.	—	245,994
Accts. receiv., net	4,233,997	4,685,528
*Inventories	6,493,745	5,331,571
Prepaid expenses	136,428	134,405
Current Assets	$ 12,582,733	$ 11,408,382
#Fixed assets	4,957,554	3,001,140
Other assets	619,656	382,554
Total Assets	$ 18,159,943	$ 14,792,076

Liabilities

	1984	1983
Accts. payable	$ 2,079,319	$ 1,064,158
Accruals	622,457	300,922
Accrued payroll	565,109	388,132
Income taxes	614,028	765,452
Other taxes	205,891	107,073
Commissions payable	240,680	240,266
Curr. Liabilities	$ 4,327,484	$ 2,866,003
Deferred inc. taxes	433,000	292,000
+Common stock	2,003,608	1,952,958
Add. paid-in capital	4,119,326	3,815,832
Retained earnings	8,250,704	6,839,462
Treasury stock	974,179	(974,179)
Total Liabilities & Shareholders' Equity	$ 18,159,943	$ 14,792,076

*At lower of average cost and market.
#Less accumulated depreciation and amortization.
+$1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	12.81	10.71
%Net Income to Sales	7.48	6.19
%Net Income to Equity	12.99	10.47
Sales to Inventories	3.58	3.69
Working Capital	$ 8,255,249	$ 8,637,604
Current Ratio	0.29	4.01
Shareholders' Equity	$13,399,459	$11,634,073

Colt Industries Inc.

430 Park Avenue
New York, New York 10022
(212) 940-0400

Officers: George A. Strichman, chairman of the board; David I. Margolis, pres. & chief exec. officer; William D. Ford, sr. v.p.-legal & secretary; Anthony J. di Buono, v.p. & general counsel; Ben Cook, Guy C. Shafer, Andrew C. Hilton, Salvatore J. Cozzolino, exec. v.p.'s; Vincent H. Callahan, sr. group v.p.; Phil Berkowitz, v.p.-personnel; Joseph P. Lisa, v.p. & controller; James G. McHugh, v.p.-labor relations; Julius Levinson, v.p.-taxes; John F. Campbell, v.p.-public relations; Ray C. Davis, George W. Townsend, C. Edward Warner, group v.p.'s; Hershell B. Murray, v.p.-government relations.

Directors: George A. Strichman, William D. Ford, David I. Margolis, William S. Schwab, William H. Rea, Max E. Wildman, Robert A. Alberty, Louis T. Seith, Paul W. MacAvoy.

Divisions:

Machinery and Equipment

Fairbanks Morse Engine Division
701 Lawton Avenue
Beloit, Wisconsin 53511
(608) 364-4411

Diesel engine generator systems for standby, peaking, and continuous service/Diesel engines for industrial drives/Marine diesel propulsion systems and generator systems.

Central Moloney Transformer Division
2400 West Sixth Avenue
Pine Bluff, Arkansas 71601
(501) 534-5332

Pole, pad-mounted, underground, and station-type distribution transformers/Transformer components.

Pratt & Whitney Machine Tool Division
Charter Oak Boulevard
West Hartford, Connecticut 06101
(203) 236-6221

Numerically controlled machining centers/NC lathes/Jig borers/NC and tracer milling machines/Electronic measuring systems/Sterling thread-rolling dies/Haber coldheading tools/Fastcut cutting tools.

Elox Division
P.O. Box 2227
Davidson, North Carolina 28036
(704) 892-8011

Electrical discharge machining equipment including conventional vertical, traveling wire, and grinding machines.

Quincy Compressor Division
217 Maine Street
Quincy, Illinois 62301
(217) 222-7700

Unit, tank, and skid-mounted reciprocating compressors/Stationary and portable helical screw compressors.

Fairbanks Morse Pump Division
3601 Fairbanks Avenue
Kansas City, Kansas 66110
(913) 371-5000

Centrifugal, turbine, and axial flow pumps for pollution control, fire protection water supply, irrigation, drainage, and applications.

Garlock Special Products Division
Suite 1250, Midtown Tower
Rochester, New York 14604
(716) 232-1400

Plastic-based bearings and bearing materials/TFE-coated butterfly valves and components/Ortman hydraulic and pneumatic cylinders.

France Compressor Products Division
104 Pheasant Run
Newtown, Pennsylvania 18940
(215) 968-5959

Compressor and industrial engine components.

Fairbanks Weighing Division
711 East St. Johnsbury Road
St. Johnsbury, Vermont 05819
(802) 748-5111

Electronic scales.

Materials and Components

Trent Tube Division
2188 Church Street
East Troy, Wisconsin 53120
(414) 642-7321

Welded stainless steel, titanium, and other high-alloy tubing to 150-foot lengths for electric utility condensers and feed-water heaters/Nuclear, liquified natural gas, and special alloy tubing/Stainless and high-alloy pipe and tubing for processing, aerospace, pulp and paper, cryogenic and instrumentation applications.

Crucible Magnetics Division
RFD 2
Elizabethtown, Kentucky 42701
(502) 769-1333

Cast alnico, Ferrimag ceramic, neodymium-iron-boron, and Cricore rare earth-cobalt permanent magnets.

Colt Firearms Division
P.O. Box 1868
Hartford, Connecticut 06102
(203) 236-6311

Colt Industries Inc.

Hunting rifles/Sporting, target, custom, and commemorative arms and accessories/Police, security, and military handguns/M16 military rifles/Grenade launchers.

Garlock Mechanical Packing Division
1666 Division Street
Palmyra, New York 14522
(315) 597-4811
Molded and extruded rubber and urethane products/Seals/Gasketing/Expansion joints/Flexible couplings and flue duct connectors/Braided and other compression packagings/Mechanical seals for pumps.

Crucible Specialty Metals Division
P.O. Box 977
Syracuse, New York 13201
(315) 487-4111
Crucible particle metallurgy and conventional high-speed steel/Tool and die steels/Stainless free-machining bars and rods/High-temperature aerospace, nuclear, and chemical processing alloys/Valve steels/Commercially pure and alloyed titanium bars, rods, and wire.

Automotive

Holley Carburetor Division
11955 East Nine Mile Road
Warren, Michigan 48089
(313) 497-4000
Automotive carburetor, fuel injection systems, components. Design, manufacture, and sale of OEM car and truck carburetors/Development of non-carburetor automotive field management systems.

Holley Replacement Parts Division
11955 East Nine Mile Road
Warren, Michigan 48089
(313) 497-4000
Engineering, distribution and sale of Holley products for the automotive aftermarket.

Holley Special Products Division
1748 Northwood Drive
Troy, Michigan 48084
(313) 362-5300
Emissions control air injection pumps, controls, and other non-fuel system products.

Stemco Truck Products Division
P.O. Box 1989
Longview, Texas 75606
(214) 758-9981
Wheel lubrication systems/Exhaust systems and leaf springs for heavy-duty trucks.

Farnam Sealing Systems Division
P.O. Box 327
Necedah, Wisconsin 54646
(608) 565-2241
Gaskets, gasket assemblies for automotive and industrial applications.

Fairbanks Morse Engine Accessories Operation
6402 Rockton Road
Roscoe, Illinois 61073
(815) 389-3660
Magnetos, ignition systems, other engine components.

Aerospace

Menasco California Division
First and Cedar Streets
Burbank, California 91510
(818) 842-9111
Landing gear for military and commercial aircraft/Shock mitigation systems for missiles and other applications.

Menasco Texas Division
P.O. Box 500
Euless, Texas 76039
(817) 283-4471
Military and commercial aircraft landing gear/Hydraulic systems and weapons loading systems for submarines and destroyers/Helicopter components.

Menasco Overhaul Division
26 East Providencia Avenue
Burbank, California 91510
(818) 843-0611
Overhaul and repair of landing gear and unrelated components and reconditioned spare parts for U.S. and foreign airlines and military services.

Delavan Gas Turbine Products Division
P.O. Box 100
West Des Moines, Iowa 50265
(515) 274-1561
Gas turbine engine fuel injectors, components, spray nozzles, valves.

Chandler Evans Control Systems Division
Charter Oak Boulevard
West Hartford, Connecticut 06101
(203) 236-0651
Fuel pumps, fuel controls, and other gas turbine engine accessories and components/Aircraft and airframe valves/Missile flight control systems, valves and actuators.

Crucible Compaction Metals Operation
R.D. # 1, McKee & Rob Hill Road
Oakdale, Pennsylvania 15071
(412) 923-2670
CPM alloys, near net shapes for jet engine components, airframe parts and other industrial uses.

International Operations

Menasco Aerospace Ltd.
1400 South Service Road, West
Oakville, Ontario
Canada L6L 5Y7
(416) 827-7777
Landing gear and flight controls for military and commercial aircraft/Helicopter rotor components/Flight control overhaul service.

Garlock of Canada Ltd.
66 Jutland Road
Toronto, Ontario, Canada M8Z 2H3
(416) 255-9114
Molded and extruded rubber products/Braided packings/Compressor and industrial engine components/Wheel lubrication and truck exhaust systems for heavy duty trucks.

Facilities: Garlock Mechanical Packing Division, Toronto, Ontario; France Compressor Products Division, Brantford, Ontario; Stemco Truck Products Division, Mississauga, Ontario.

Woodville Polymer Engineering Ltd.
Alton Lane, Ross-on-Wye
HR9 5NF Herefordshire, England
High-technology specialty molded rubber products.

Facilities: Ross-on-Wye Division, Ross-on-Wye, Herefordshire; Swadincote Division, Burton-on-Trent, Staffordshire.

Crusteel Limited
Rutland Way
Sheffield S3 8DG
Yorkshire, England
Specialty steel and tubing distributors.

Garlock AG
Thurgauerstrasse 39
CH-8050 Zurich, Switzerland
Manufacture and distribution of Stemco truck products.

Garlock Limited
North Way, Andover
Hampshire, SP10 5HN England

Garlock S.A.
Torre dels Pardals, 23
Barcelona 26, Spain
Stemco truck products.

Garlock GmbH
Postfach 300 451
Scheffelstrasse 73
4000 Dusseldorf 30
West Germany
Manufacture and distribution of Garlock products, Stemco truck products, and France compressor products.

Facilities: Garlock Valves & Industrial Plastics, Neuss; France Compressor Products Division, Gross Gerau; Garlock Mechanical Packing Division, Dusseldorf.

Garlock de Mexico, S.A. de C.V.
Poniente 116, No. 5971
Mexico 15, D.F.
Industrial packing and gasketing/Compressor components/TFE specialty products and molded rubber products.

Delavan Limited
Gorsey Lane, Widnes
Cheshire WA8 ODJ England
Industrial, agricultural spray nozzles and other products.

Liard S.A.
49 Route National
F-59570 Bavay, France
Compressor and industrial engine components, truck wheel lubrication systems.

Garlock Pty. Ltd.
P.O. Box 54
Arncliffe, N.S.W. 2205
Australia
Seals, packing, hydraulic components.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

The First National Bank of Chicago
Chicago, Illinois

Bank of America National Trust and Savings Association
San Francisco, California

Stock Exchange(s): New York, Pacific, Midwest, London

Ticker Symbol: CGT

Number of Employees:

1984	22,400	1981	28,000
1983	22,100	1980	31,300
1982	20,600		

Plant Footage:

1984	11,900,000 sq.ft.	1981	17,200,000
1983	N.A.	1980	17,054,000
1982	12,800,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 1,868,267	$ 132,229
1983	1,576,183	99,255
1982	1,511,594	(161,358)
1981	1,765,956	109,550
1980	1,682,774	97,751

	No. of Com. Shares #	Earn. per Share #
1984	19,557,000	$ 5.99
1983	23,754,000	4.01
1982	23,962,000	—
1981	27,192,000	3.95
1980	26,042,000	3.52

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Automotive	$ 580,000	$ 478,000
Aerospace	314,000	299,000
Machinery & equip.	467,000	401,000
Materials & components	510,000	401,000
Eliminations	(3,000)	(3,000)
Total	$ 1,868,000	$ 1,576,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$2.27½	—	—
1983	2.00	—	—
1982	1.80	—	—
1981	1.53¼	—	2-for-1
1980	1.45	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 343,719,000	$ 17.57
1983	466,831,000	19.65
1982	443,490,000	18.51
1981	735,715,000	27.06
1980	646,157,000‡	24.81

‡ After allowing for preferred stock at total involuntary liquidation value.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,868,267	$ 1,576,183
Cost of sales	1,402,704	1,205,531
Expenses	224,644	200,010
Interest expense	15,733	18,723
Interest income	(16,329)	(25,221)
Income before taxes	$ 241,515	$ 177,240
Income taxes	109,286	77,985
Net Income	$ 132,229	$ 99,255

* Included in Costs and Expenses, Depreciation and Amortization: $41,834,000 in 1984 and $37,653,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cert. of deposit	$ 3,859	$ 23,179
Marketable securities	2,656	141,102
Accts. and notes receiv., net	221,877	205,138
*Inventories	330,473	327,129
Deferred inc. taxes	18,676	24,119
Other curr. assets	8,143	8,169
Current Assets	$ 585,684	$ 730,136
#Fixed assets	337,058	332,126
Other assets	96,190	104,130
Funds for capital proj.	4,606	8,131
Total Assets	$ 1,023,538	$ 1,177,123

Liabilities
(000's)

	1984	1983
Notes payable	$ 13,196	$ 1,192
Long-term debt., curr.	4,163	12,173
Accts. payable	105,478	97,997
Accruals	118,324	103,111
Accrued payroll	53,269	56,127
Liab. for facility dispos.	17,350	50,162
Curr. Liabilities	$ 312,780	$ 320,962
Long-term debt	124,587	147,123
Minority interest	4,114	3,280
Deferred inc. taxes	4,059	14,141
Other liab.	49,712	21,997
Liab. for facility dispos.	184,567	202,189
+ Common stock	27,617	27,517
Add. paid-in capital	142,321	140,909
Retained earnings	504,402	420,939
For. curr. trans. adjust.	(11,998)	(7,216)
Treasury stock	(318,623)	(115,418)
Total Liabilities & Shareholders' Equity	$ 1,023,538	$ 1,177,123

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.92	11.24
%Net Income to Sales	7.07	6.30
%Net Income to Equity	38.47	21.26
Sales to Inventories	5.65	4.82
Working Capital	$272,904,000	$409,974,000
Current Ratio	1.87	2.28
Shareholders' Equity	$343,719,000	$466,831,000

Columbia Chase Corporation

Forbes Business Center, Suite 200
220 Forbes Road
Braintree Massachusetts 02184
(617) 848-2810

Officers: Francis M. Chase, chairman of the board & chief executive officer; Edward L. Chase, president, treasurer & chief operating officer; Nikit Ordjanian, vice president; Wilfred W. Carter, v.p.-finance & controller; George M. Hughes, secretary & treasurer.

Directors: Francis M. Chase, chairman; Edward L. Chase, Nikit Ordjanian, George M. Hughes, George M. Hansen, Wilbur L. Lafean, Jr., James D. O'Donnell.

Areas of Work: Manufactures energy-related products such as dielectric insulation for electrical power cables, protective tapes and coatings for underground gas and oil lines and humidity resistant coatings for electronic components and printed circuitry; also produces solar energy systems and an energy saving fossil fuel combustion conditioner unit which employs the use of water. Other operations include custom compounding and mixing of rubber and plastics and the design and manufacture of copper absorber plates, also a coal based alternate fuel.

Divisions and Subsidiaries:

Chase & Sons, Inc.
Randolph, Massachusetts 02368
(617) 963-2600
Cable tapes for use in electrical wires and cables, telephone and communication cables, shipboard, Navy and missile cables. Protective tape coatings for corrosion prevention on underground oil, gas and petroleum pipelines. Electrical tapes for utilities and contractors. Flexible electrical insulation for use in motors, transformers and other electrical equipment.

Avon Custom Mixing Services Division
Holbrook, Massachusetts
(617) 767-0511
Custom volume mixing of rubber and other compounds supplying the commercial market and corporate internal use.

Chase Tape Division
Randolph, Massachusetts
Manufactures dielectric cable tape insulation.

HumiSeal Division
26-60 Brooklyn-Queens Expressway West
Woodside, New York 11377
(718) 932-0800
Produces conformal liquid protective coatings for electronics, and printed circuitry.

Royston Laboratories, Inc.
Pittsburgh, Pennsylvania 15238
(412) 828-1500
Produces and sells materials to prevent corrosion on underground pipelines and other metal surfaces and to protect wood and concrete surfaces, also bridge expansion joints.

International Division
220 Forbes Road
Braintree, Massachusetts 02184
(617) 848-2814
International licensing and exchange of process and technologies and special international sales.

Solar Energy Division
Holbrook Massachusetts 02343
(617) 767-0513
Designer and manufacturer of solar energy collection units for heating hot water and space systems, and for the generation of low wattage electricity.

Combustion Division
Holbrook, Massachusetts
(617) 767-0542
Engineers, manufactures and installs a fossil fuel conditioner which creates a fuel emulsion using water or steam under a company-owned patented process.

Columbia Chase Corporation
Brussels, Belgium
32(2) 354-1331
Coordination of international marketing and sales.

Solar Voltaic, Inc.
Braintree, Massachusetts
(617) 848-2810
Solar cell research.

Allstate Energy Analysts, Inc.
Braintree, Massachusetts
Energy analysis service.

Sunplate, Inc.
Holbrook, Massachusetts
(617) 767-0513
Copper absorber plates.

Transfer Agent(s):

The Chase Manhattan Bank
One New York Plaza
New York, New York 10005

Stock Exchange(s): Boston

Ticker Symbol: CTE

Number of Employees:

1984	177	1983	190

Plant Footage:

1984	350,000 sq. ft.	1983	350,000

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 21,043,181	$ 379,543
1983	17,982,075	22,885
1982	18,433,653	(145,996)
1981	20,947,745	473,260
1980	17,108,097	273,175

	No. of Com. Shares #	Earn. per Share #†
1984	3,894,806	$ 0.10
1983	3,894,806	0.01
1982	3,894,806	—
1981	3,894,806	0.12
1980	3,894,806	0.07

(Loss)
+ Of continuing operations only.
† Including extraordinary gains of $202,920 ($0.05 per share in 1984 and $200,000 ($0.06 per share) in 1983.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	0.06	—	7-for-5
1980	0.06	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 4,802,618	$ 1.23
1983	4,423,075	1.14
1982	4,400,190	1.13
1981	4,782,685	1.23
1980	4,480,001	1.15

+ Adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 20,912,906	$ 17,765,179
Other income	130,275	216,896
Total income	$ 21,043,181	$ 17,982,075
Cost of sales	14,627,482	13,078,720
Expenses	5,454,143	4,929,220

Columbia Chase Corporation

Interest expense	356,303	308,546
Minority interest	(4,972)	(18,404)
Income (loss) before taxes	$ 610,225	$ (316,007)
Income taxes (credit)	433,602	(138,892)
Net Income (Loss)	$ 176,623	$ (177,115)
Extraord. gain	202,920	200,000
Net Income & extraord. gain	$ 379,543	$ 22,885

* Included in Costs and Expenses. Depreciation: $$362,537 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 261,951	$ 330,802
Receiv., net	3,679,115	2,520,647
*Inventories	2,736,280	2,973,949
Prepaid expenses & other assets	236,365	129,434
Current Assets	$ 6,913,711	$ 5,954,832
#Fixed assets	2,082,473	2,204,404
Other assets	623,325	387,550
Total Assets	$ 9,619,509	$ 8,546,786

Liabilities

Notes payable	$ 1,114,949	$ 799,289
Long-term debt, curr.	159,299	190,681
Accts. payable	1,187,752	1,049,412
Accruals	857,610	603,873
Income taxes	216,923	13,933
Deferred income	4,489	22,081
Curr. Liabilities	$ 3,541,022	$ 2,679,269
Long-term debt	1,200,000	1,395,244
Def. inc. taxes	75,869	49,198
+ Common stock	389,480	389,480
Add. paid-in capital	1,753,482	1,753,482
Retained earnings	2,659,656	2,280,113
Total Liabilities & Shareholders' Equity	$ 9,619,509	$ 8,546,786

* At cost (FIFO), which is not in excess of market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.92	—
%Net Income to Sales	0.84	—
%Net Income to Equity	3.68	—
Sales to Inventories	7.64	5.97
Working Capital	$3,372,689	$3,275,563
Current Ratio	1.95	2.22
Shareholders' Equity	$4,802,618	$4,423,075

Communications Industries, Inc.

1100 Frito-Lay Tower
Exchange Park
Dallas, Texas 75235
(214) 357-4001

Officers: Clayton E. Niles, chairman of the board & chief exec. officer; Roger D. Lindquist, president & chief operating officer; Michael H. Barnes, v.p.-finance & administration, chief financial officer & treasurer; Louis E. Brown, v.p.-research and development; Raymond T. Adams, director-investor relations; Thomas J. Bolger, dir.-human resources; Neil J. O'Brien, secretary.

Directors: Jerry S. Stover, Michael H. Barnes*, Donald S. Bates, Louis E. Brown*, C.E. Bradley, C.A. Rundell, Jr., Clayton E. Niles*, Ed B. Breeding, William O. Hunt*, J. Davis Hamlin.

*Member of the Executive Committee.

Areas of Work: Engaged in the design, assembly, manufacture, sale, service and maintenance of industrial radio and electronic communications equipment and systems, and in the performance of services as a radio common carrier and telephone answering service. The principal products manufactured by the Company include two-way radio antennas, duplexers, filters, radio-telephone terminals, electronic signaling, alarm and control equipment. The Company also sells, leases or rents to others certain products manufactured by others including two-way radio systems and equipment. Also performs certain services for users of two-way radio communication including equipment renting or leasing two-way radio antenna space. Provides radiotelephone, radio paging and radio dispatch services.

Subsidiaries:

Gencom Incorporated
10300 North Central Expressway
Building V-Suite 430
Dallas, Texas 75223

Radiotelephone utility providing car telephone and pocket paging services.

Decibel Products, Inc.
3184 Quebec Street
Dallas, Texas 75247
(214) 631-0310

Manufactures two-way radio antennas, duplexers, filters, transmitter/receiver combiners and other peripheral equipment needed for efficient radio communications.

BBL Industries
Atlanta, Georgia

Engaged in the manufacture and distribution of telephone answering service equipment, and voice retrieval systems.

Multicom, Inc.
Dallas, Texas

Transfer Agent(s):

Texas American Bank
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: COMM (NASDAQ)

Number of Employees:

1984	1,340	1981	930
1983	979	1980	1,030
1982	935		

Plant Footage:

1984	368,000 sq. ft	1981	241,000
1983	N.A.	1980	241,000
1982	241,000		

N.A. - Not Available.

Sales and Earnings ‡

	Net Sales	Net Income
1984	$ 98,181,000	$ 14,110,000
1983	74,849,000	12,248,000
1982	69,732,000	10,354,000
1981	61,849,000	9,506,000
1980	51,392,000	6,661,000

	No. of Com. Shares #	Earn. per Share #
1984	10,979,000	$ 1.29
1983	10,883,000	1.13
1982	10,300,000	1.01
1981	10,188,000	0.93
1980	9,928,000	0.67

‡ Restated to include operations of Intrastate Radio Telephone, Inc., Delta Telephone Answering Services, Inc., and Page A Fone Corporation, acquired on a pooling of interests basis.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Manufactured products	$ 38,657,000	$ 33,574,000
Radio, common carrier & telephone service	52,524,000	41,275,000
Total	$ 98,181,000	$ 74,849,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.36	—	—
1983	0.32	—	—
1982	0.27	—	—
1981	0.23	—	3-for-2
1980	0.18	—	3-for-2 & 3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity ×

	Total Equity	Equity Per Share ‡
1984	$ 82,923,000	$ 7.55
1983	72,162,000	6.58
1982	63,036,000	5.83
1981	40,599,000	3.96

× Restated.
‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983 ‡
Net sales	$ 98,181,000	$ 74,849,000
Cost of sales	44,739,000	34,219,000
Expenses	32,950,000	24,088,000
Gain on sale of assets	(2,069,000)	(1,995,000)
Interest income	(2,274,000)	(2,735,000)
Interest expense	1,508,000	465,000
Unreal. loss on market secur.	96,000	69,000
Amort. of intang.	362,000	352,000
Write-off of license applic.	1,250,000	—
Eq. in losses of joint venture	159,000	—
Income before taxes	$ 21,460,000	$ 20,386,000
Income taxes	7,350,000	8,138,000
Net Income	$ 14,110,000	$ 12,248,000

* Included in Costs and Expenses, Depreciation and Amortization: $12,052,000 in 1984 and $7,755,000 in 1983.
‡ Restated.

Assets

As of Dec. 31	1984	1983 ‡
Cash & cash equiv.	$ 38,065,000	$ 9,085,000
Marketable securities	23,172,000	14,751,000
Accts. & contracts receiv., net	15,486,000	11,244,000
Notes receiv.	972,000	1,497,000
*Inventories	8,847,000	6,095,000
Other curr. assets	329,000	262,000
Current Assets	$ 86,871,000	$ 42,934,000
#Fixed assets	63,808,000	42,859,000
Other assets	3,866,000	2,514,000
Intangibles	3,562,000	1,481,000
Cellular license application	5,409,000	4,872,000
Total Assets	$ 163,516,000	$ 94,660,000

Liabilities

Notes payable	$ —	$ 1,415,000
Long-term debt, curr.	561,000	878,000
Accts. payable & accruals	8,875,000	8,531,000
Accrued comp.	2,777,000	1,787,000
Dividends payable	989,000	839,000
Income taxes	1,393,000	1,464,000
Curr. Liabilities	$ 14,595,000	$ 14,914,000
Long-term debt	60,738,000	3,441,000
Deferred inc. taxes	4,014,000	3,120,000
Deferred comp. payable	1,246,000	1,023,000
+ Common stock	5,495,000	5,487,000
Add. paid-in capital	17,895,000	17,439,000
Retained earnings	59,533,000	49,236,000
Total Liabilities & Shareholders' Equity	$ 163,516,000	$ 94,660,000

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	21.86	27.24
%Net Income to Sales	14.37	16.36
%Net Income to Equi	17.02	16.97
Sales to Inventories	11.10	12.28
Working Capital	$72,276,000	$28,020,000
Current Ratio	5.95	2.88
Shareholders' Equity	$82,923,000	$72,162,000

Communications Satellite Corporation

950 L'Enfant Plaza S.W.
Washington, D.C. 20024
(202) 863-6000

Officers: Joseph V. Charyk, chairman and chief executive officer; Irving Goldstein, president; John L. McLucas, exec. v.p. & chief strategic officer; Joel R. Alper, president COMSAT World Systems Div.; Stephen M.D. Day, v.p.-corporate development; Donald E. Greer, v.p.-general services; Bruce L. Crockett, v.p.-finance; Robert W. Baumann, v.p.-human resources and organization development; Jerome W. Breslow, secretary; Nancy E. Weber, asst. secretary; William M. Karnes, comptroller; Richard L. Dineley, asst. comptroller; Robert F. Allnut, v.p.-government affairs; Willard R. Nichols, v.p. & general counsel; Joseph M. Quigley, v.p.-Management Information Systems.

Directors: Elliot M. Estes, Robert M. Garrick, Joseph V. Charyk, William W. Hagerty, Melvin R. Laird, Ellmore C. Patterson, Charles J. Pilliod, Jr., Bruce G. Sundlun, William L. Zimmer, III, Lewis W. Foy, Frederick B. Dent, Neal B. Freeman, E. Pendleton James, Walter A. Fallon, Irving Goldstein.

Areas of Work: COMSAT, the Communications Satellite Corporation, provides satellite-based communications services and products to the international, maritime, and U.S. domestic markets.

Subsidiaries:

COMSAT General Corporation
950 L'Enfant Plaza S.W.
Washington, D.C. 20024
(202) 863-6010

Engaged in maritime and domestic U.S. satellite communications programs, and provides worldwide technical service.

Compact Software, Inc.
1131 San Antonio Road
Palo Alto, California 94303
(415) 966-8440

Develops integrated design, manufacturing and test systems for microwave and digital products.

Satellite Television Corporation
950 L'Enfant Plaza, S.W.
Washington, D.C. 20004
(202) 626-3600

Has filed an application with the FCC proposing to [illegible] satellite subscription television service.

Environmental Research & Technology
696 Virginia Road
Concord, Massachusetts 01742
(617) 369-8910

Furnishes business and governmental clients with environmental consulting, planning, monitoring, and computer-based informaton services.

COMSAT Technology Products
22300 Comsat Drive
Clarksburg, Maryland 20871
(301) 428-5000

COMSAT Laboratories
22300 COMSAT Drive
Clarksburg, Maryland 20871
(301) 428-4000

Amplica Inc.
950 Lawrence Drive
Newbury Park, California 91320
(805) 498-9671

COMSAT World Systems Division
950 L'Enfant Plaza
Washington, D.C. 20024
(202) 863-6000

Maintenance and Supply Center
22250 COMSAT Driv.
Clarksburg, Maryland 20871
(301) 428-4285

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: CQ

Sales and Earnings

	Oper. Revenues	Net Income
1984	$ 442,297,000	$ 51,165,000
1983	440,418,000	50,051,000
1982	409,507,000	43,308,000
1981	333,979,000	28,269,000
1980	299,726,000	38,290,000

	No. of Com. Shares +	Earn. per Share #
1984	18,093,186	$ 2.83
1983	18,066,035	2.77
1982	18,000,028	2.70
1981	16,000,028	2.50
1980	16,000,028	2.40

+ Adjusted to reflect stock split.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Rate-reg. satell. serv.	$ 277,989	$ 291,056
Satellite syst. & serv.	94,499	93,746
Telecomm. Equip.	55,421	49,854
Info service	29,299	32,111
Elim.	(14,911)	(26,349)
Total	$ 442,297	$ 440,418

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$1.20	—	—
1983	1.175	—	2-for-1
1982	1.15	—	—
1981	1.15	—	—
1980	1.15	—	—

Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 599,228,000	$ 33.12
1983	569,138,000	31.50
1982	537,787,000	29.88
1981	437,220,000	27.33
1980	415,583,000	25.97

Adjusted to reflect stock split.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Oper. Rev.	$ 442,297	$ 440,418
Cost of sales	245,336	218,311
Depreciation & amortization	59,502	63,815
Expenses	52,982	50,565
Eq. in loss of SBS Partnership	25,079	—
Other income	(14,211)	(23,430)
Interest expense	3,543	2,789
Inc. bef. taxes	$ 70,066	$ 128,368
Inc. taxes	24,893	54,329
Inc. - cont. oper.	$ 45,173	$ 74,039
Inc. (loss) - discont. oper.	5,992	(23,988)
Net Income	$ 51,165	$ 50,051

Assets
(000's)

As of Dec. 31	1984	1983
Cash & temp. investments	$ 62,794	$ 57,273
Accts. receiv., net	86,367	86,757
Other assets	62,134	39,006
Current Assets	$ 211,295	$ 183,036
Investments	4,514	53,118
#Fixed assets	891,395	748,915
Other assets & & intangibles	58,618	58,794
Total Assets	$ 1,165,822	$ 1,043,863

Liabilities
(000's)

Accts. payable & accruals	$ 124,257	$ 139,696
Income taxes	12,001	4,791
Curr. Liabilities	$ 136,258	$ 144,487
Long-term debt	257,726	158,568
Deferred inc.	48,385	37,184
Deferred inc. taxes & invest. credit	124,225	134,486
+ Common stock	234,513	234,409
Retained earnings	400,651	371,176
Treasury stock	(35,936)	(36,447)
Total Liabilities & Shareholders' Equity	$ 1,165,822	$ 1,043,863

Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	8.54	8.79
Working Capital	$ 75,037,000	$ 38,549,000
Current Ratio	1.55	1.27
Shareholders' Equity	$599,228,000	$569,138,000

Compucorp

2211 Michigan Avenue
Santa Monica, California 90404
(213) 829-7453

Officers: Elmer R. Easton, chairman, president and chief executive officer; Norman J. Grannis, sr. v.p.-operations; Kas Terhorst, sr. v.p.-international marketing; William G. Nevers, v.p.-finance & chief financial officer; Thomas S. Budlong, v.p.-product development; Andrea De Mari, v.p.-research & engineering; Stanley J. Emeterio, v.p. & controller; Michael J. Toia, v.p.-manufacturing & materiel; Salvatore F. Cimbolo, Jr., sr. v.p.-North American marketing operations; Cynthia Wells, secretary and corporate counsel.

Directors: Elmer R. Easton, Carlos A. Tomaszewski, Norman J. Grannis, David McKearnan, Albert G. Handschumacher, Minoru Tonai; Lutz-Dieter Beaugrand.

Areas of Work: Engaged in the design, manufacture and marketing of desktop and hand-held computers, word processing equipment and computer components, programmable and nonprogrammable electronic calculators and peripheral equipment.

Compucorp

Transfer Agent(s):

U.S. Stock Transfer Corporation
1745 Gardenia Avenue, Suite 200
Glendale, California 91204

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CCUP (NASDAQ)

Number of Employees:

1984	437	1983	485

Plant Footage:

1983	120,000 sq. ft.	1980	30,000
1982	100,000	1979	30,000
1981	30,000		

Sales and Earnings

	Net Sales	Net Income #
1983	$ 38,258,000	$ (4,566,000)
1982	35,287,000	1,925,000
1981	17,901,000	722,000
1980	9,367,000	50,000
1979	5,965,000	449,000

	No. of Com. Shares	Earn. per Share # +
1983	4,246,000	$ —
1982	4,225,000	0.49
1981	2,933,000	0.22
1980	2,503,000	0.03
1979	1,636,000	—

(Loss)
Including extraordinary gain of $270,000 ($0.07 per share) in 1982.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 8,044,000	$ 1.89
1982	14,196,000	3.36
1981	3,815,000 +	1.30
1980	1,692,000 +	0.68

+ After allowing for preferred stock at stated value.

Income Account

Year ended Dec. 31	1983	1982
Net sales	$ 38,258,000	$ 35,287,000
Cost of sales	20,337,000	17,478,000
Research	4,625,000	3,250,000
Expenses	17,533,000	10,558,000
Interest expense	1,203,000	653,000
Other expenses	796,000	—
Income (loss) before taxes	$ (6,236,000)	$ 3,348,000
Income taxes (credit)	(1,670,000)	1,693,000
Net Income (Loss)	$ (4,566,000)	$ 1,655,000
Extraord. gain	—	270,000
Net Income (Loss) & extraord. gain	$ (4,566,000)	$ 1,925,000

Assets

As of Dec. 31	1983	1982
Cash	$ 290,000	$ 230,000
Accts. receiv., net	12,441,000	11,490,000
*Inventories	10,420,000	7,680,000
Prepaid expenses	926,000	511,000
Current Assets	$ 24,077,000	$ 19,911,000
#Fixed assets	9,203,000	4,000,000
Deposits	1,879,000	993,000
Total Assets	$ 33,012,000	$ 24,904,000

Liabilities

Bank notes payable	$ —	$ 750,000
Cap. lease oblig., curr.	120,000	—
Sinking fund debentures, curr.	—	908,000
Accts. payable	7,262,000	2,698,000
Accrued payroll	613,000	292,000
State income taxes	25,000	311,000
Other	958,000	599,000
Curr. Liabilities	$ 8,978,000	$ 5,558,000
Long-term debt	15,700,000	5,150,000
+ Preferred stock	290,000	—
+ + Common stock	10,531,000	12,117,000
Retained earnings (deficit)	(2,487,000)	2,079,000
Total Liabilities & Shareholders' Equity	$ 33,012,000	$ 24,904,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value; 6% cumulative.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	9.49
%Net Income to Sales	—	4.69
%Net Income to Equity	—	17.66
Sales to Inventories	3.67	4.59
Working Capital	$15,099,000	$14,353,000
Current Ratio	2.68	3.58
Shareholders' Equity	$ 8,044,000	$14,196,006

CompuDyne Corporation

Corporate Headquarters:
391 Greendale Road
York, Pennsylvania 17403
(717) 843-4020

Office of the President:
100 South Wacker Drive
Chicago, Illinois 60606
(312) 346-7878

Officers: Frank J Kelley III, chairman of the board, president & treasurer; Bruce Chandler, v.p.; David W. Stevens, sr. v.p.; Martin F. Moser, controller; Kenneth P. Griffin, secretary; Allen Hatfield III, Walter E. Rohrbaugh, asst. secretaries & asst. treasurers.

Directors: Frank J Kelley III, chairman; Bert G. Kerstetter, Henry G. Van der Eb, W. Newton Burdick, Jr., Lavern H. Brenneman, Bruce Chandler, Donald G. Iselin.

Areas of Work: Operates principally in four industries—energy and environment, precision products, visual communications, and control systems. The energy and environment segment consists of the manufacture of industrial and commercial heat exchangers, air-handling equipment, and pollution control filter systems. The precision products segment consists of the manufacturing and marketing of hydraulic metal fabricating machinery consisting of press brakes, shears, drilling machines and production punches. The visual communications segment consists of electrical information display systems (including scoreboards, plastic, metal and fiberglass signs, bulletins, and leased display signs) and electrical monitoring devices. The control systems segment consists of the manufacture and sale of electronic control systems.

Divisions and Subsidiaries:

General Indicator Corporation
York, Pennsylvania 17405
Designers and manufacturers of solid-state electronic, electro-hydraulic, electromechanical, and peripheral equipment for process control systems; radio direction finding systems and optical beacons; electronic data display systems, airport flight information systems, time-temperature signs, electronic scoreboards for sporting events, and illuminated outdoor signs for merchandising.

Hydra-Tool Corporation
Greenwood, Mississippi
Manufacturer of patented hydraulic metal fabricating machines.

Robintech PVC Pipe
Arlington, Texas

Melweb Signs, Inc.
P.O. Box 986
Daytona Beach, Florida 32015
(904) 225-1901
Manufacturing, installation, maintenance and leasing of illuminated signs and outdoor advertising.

York-Shipley, Inc.
P.O. Box 349
York, Pennsylvania 17405
(717) 755-1081
Manufactures commercial and industrial heat exchangers and air handling equipment.

Bay Harbor Marina, Inc.
Bay City, Michigan
Marina providing mooring, storage, sales and repair of boats.

Kolux Division
Manufactures illuminated outdoor and indoor identification signs and electronic message changers.

REDCO Division
Peoria, Illinois
Engaged in the manufacture and sale of switch gear for control of power generating, water, sewage and continuous process systems.

Vega Precision Laboratories Division
800 Follin Lane
Vienna, Virginia 22180
(703) 938-6300
Designs and manufactures radar related electronic equipment.

Ocean Applied Research Division
Engaged in the manufacture and sale of automatic radio direction finding systems, radio beacons and optical beacons.

Quanta Systems Corporation (92.4% owned)
Rockville, Maryland
Designs and manufactures electronic security equipment for federal agencies, provides technical engineering services for U.S. Government, produces industrial audio communication systems for high noise environments and supplies computer-based automated health care testing and financial systems for clinics.

C.W. Thompson
Rockville, Maryland

Data-Control Systems
Rockville, Maryland

Transfer Agent(s):

Maryland National Bank
225 N. Calvert Street
Baltimore, Maryland 21202

Stock Exchange(s): American

Ticker Symbol: CDC

Number of Employees:

1984	1,500	1981	1,580
1983	1,500	1980	1,560
1982	1,500		

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 90,597,000	$ 218,000
1983	79,232,000	761,621
1982	85,786,000	1,106,829
1981	82,319,000	1,593,090
1980	76,051,000	1,534,527

	No. of Com. Shares #	Earn per Share #‡
1984	1,001,000	$ 0.10
1983	1,000,623	0.64
1982	1,000,623	0.98
1981	1,000,623	1.47
1980	1,006,184	1.30

+ Of continuing operations only.
‡ Including extraordinary credits of $585,217 ($0.58 per share) in 1983, and $162,400 ($0.16 per share) in 1980.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Energy & Environment	$ 23,462	$ 21,997
Visual Communications	35,891	27,736
Control Systems	31,244	29,499
Total	$ 90,597	$ 79,232

Common Stock Equity

	Total Equity #	Equity Per Share ‡
1984	$ 10,207,000	$ 10.20
1983	10,041,375	10.04
1982	9,071,924	9.07
1981	8,101,453	8.10
1980	6,700,209	6.66

After allowing for preferred stock at liquidation values
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 90,597,000	$ 79,232,000
Cost of sales	63,564,000	56,150,000
Expenses	22,504,000	18,603,000
Other income	4,747,000	3,433,000
Interest expense	—	1,167,000
Plant relocation costs	(1,520,000)	(1,173,000)
Income before taxes	$ 1,302,000	$ 1,052,000
Income taxes	414,000	117,000
Minority interest	(62,000)	(19,000)
Inc.- cont. oper.	$ 950,000	$ 954,000
Loss - discont. oper.	(732,000)	(777,000)
Net Income	$ 218,000	$ 177,000
Extraord. gain	—	585,000
Net Income & extraord. gain	$ 218,000	$ 762,000

*Included in Costs and Expenses, Depreciation and Amortization: $2,781,000 in 1984 and $2,096,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 1,122,000	$ 515,646
Cert. of deposit	3,707,000	4,148,861
Accts. receiv., net	19,970,000	15,934,257
*Inventories	19,354,000	15,628,533
Prepaid expenses	2,238,000	1,494,488
Current Assets	$ 46,391,000	$ 37,721,785
Marketable equity secur. at market val.	590,000	524,900
#Fixed assets	25,771,000	16,251,936
Long-term receiv. & other assets	5,144,000	1,500,086
Total Assets	$ 77,896,000	$ 55,998,707

Liabilities

	1984	1983
Notes payable & long-term debt., curr.	$ 26,002,000	$ 15,743,927
Accts. payable	7,264,000	5,645,419
Accruals	5,360,000	3,247,244
Customer deposits	964,000	1,694,330
Other curr. liabilities	1,063,000	335,667
Curr. Liabilities	$ 40,653,000	$ 26,666,587
Long-term debt	21,636,000	15,694,745
Deferred inc. taxes	782,000	393,270
Deferred compensation	341,000	484,187
Deferred credit	909,000	1,028,725
Minority interest	1,809,000	80,178
Redeem. pref. stock	349,000	399,500
+ Preferred stock		
Series A	900,000	900,000
Series B	310,000	310,140
+ + Common stock	791,000	790,663
Add. paid-in capital	541,000	541,184
Retained earnings	9,255,000	9,154,369
Treasury stock	(322,000)	(321,564)
Loss on marketable equity security	(58,000)	(123,277)
Total Liabilities & Shareholders' Equity	$ 77,896,000	$ 55,998,707

* At lower of cost (FIFO an[illegible]FO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $0.75 par value.

Statistical Summary

%Net Income to Equity	1.94	1.57
Sales to Inventories	4.68	5.07
Working Capital	$ 5,738,000	$11,055,198
Current Ratio	1.14	1.41
Shareholders' Equity	$11,417,000	$11,251,515

Compugraphic Corporation

200 Ballardvale Street
Wilmington, Massachusetts 01887
(617) 658-5600

Note: Agfa-Gevaert, N.V., a Belgian company which is an indirect, wholly owned subsidiary of Bayer AG of West Germany, owns slightly more than 82% of the common stock of Compugraphic Corporation.

Officers: Carl E. Dantas, president & chief executive officer; Fred J. Butler, sr. v.p.-finance & treasurer; David E. Costa, v.p.-corporate planning; Vincent M. Kaseta, sr. v.p.- human relations; David D. Lundquist, sr. v.p.-research and engineering; Deward F. Manzer, exec. v.p.-equipment group; Richard Renwick, sr. v.p.-operations; Donald C. Wile, sr. v.p.-graphics products group; Thomas E. Kerr, clerk & general counsel; Marcia A. Krolikowski, asst. treasurer.

Directors: Johan Bisschops, George M. Berman, Robert A.M. Coppenrath*, Carl E. Dantas*, Paul De Pelsmaker, Andre Leysen, Helmut Loehr, John K. Spring.

* Member of the Executive Committee.

Areas of Work: The Company develops, manufactures and markets equipment and related supplies, accessories and parts for application in setting type by a photocomposition process. The Company's photocomposition equipment projects individual letters and characters onto photographic paper or film from a film strip, glass grid, or magnetic disk containing a complete set of characters in a particular type style.

Subsidiaries:

Compugraphic International Corporation

Compugraphic Financial Corporation

Compugraphic France, Inc.

Compugraphic Europe, Inc.

Compugraphic Canada, Ltd.

Compugraphic Canada Limited/Compugraphique Canada Limitee

Compugraphic Deutschland GmbH (Germany)

Compugraphic International Products Limited (Ireland)

One Systems, Inc.

Compugraphic Export, Inc.

Compugraphic Properties, Inc.

Compugraphic Foreign Sales Corporation (US Virgin Islands)

Compugraphic International Finance Limited (Bermuda)

Compugraphic de Mexico, S.A. (49% owned)

Compugraphic France, S.A. (98% owned)

Transfer Agent(s):

State Street Bank & Trust Co.
P.O. Box 1370
Boston, Massachusetts 02107

Stock Exchange(s): New York, Boston, Philadelphia.

Ticker Symbol: CPU

Number of Employees:

1984	5,129	1981	4,334
1983	4,487	1980	4,756
1982	4,309		

Plant Footage:

1984	1,191,000 sq. ft.	1982	801,000
1983	801,000		

Sales and Earnings ×

	Revenues	Net Income
1984	$ 391,238,000	$ 24,390,000
1983	318,363,000	16,903,000
1982	279,491,000	8,129,000
1981	276,313,000	(6,239,000)
1980	277,093,000	5,022,000

	No. of Com. Shares	Earn. per Share #
1984	8,056,000	$ 2.93
1983	8,120,000	2.04
1982	8,045,000	1.04
1981	4,958,000	—
1980	4,943,000	0.99

(Loss)
× Restated to conform to new fiscal year.
Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.55	—	—
1983	0.10	—	—
1982	—	—	—
1981	0.07	—	—
1980	0.28	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 172,766,000	$ 21.45
1983	156,642,000	19.29
1982	139,917,000	17.39
1981	90,826,000	18.32
1980	96,828,000	19.59

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Revenues	$ 391,238	$ 318,363
Cost of sales	203,061	173,059
Expenses:		
Sell., gen., & admin.	113,777	93,648
Eng., res., & develop.	34,763	22,710
Emp. profit sharing	3,812	2,812
Interest expense	1,504	683
Other expense	16	149
Inc. before taxes	$ 34,305	$ 25,302
Inc. taxes	9,915	8,399
Net Income	$ 24,390	$ 16,903

* Included in Costs and Expenses, Depreciation and Amortization: $14,209,000 in 1984 and $13,309,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash & market. secur.	$ 8,006	$ 10,534
Market. securities	7,741	15,734

Compugraphic Corporation

Accts. receiv., net	59,768	48,861
Note receivable	4,000	14,000
Refundable taxes	—	1,720
*Inventories	87,722	68,906
Prepaid inc. taxes	7,847	7,569
Prepaid expenses	7,855	6,651
Invest. in sales-type leases	15,887	7,315
Current Assets	$ 198,826	$ 181,290
Investments in sales-type leases	37,600	22,777
#Fixed assets	75,402	67,479
Total Assets	$ 311,828	$ 271,546

Liabilities
(000's)

Notes payable	$ 15,898	$ 14,259
Long-term debt, curr.	1,242	2,927
Accts. payable	13,777	13,408
Cust. deposits	3,546	1,759
Accruals	46,584	32,879
Curr. Liabilities	$ 81,047	$ 65,232
Long-term debt	19,946	21,190
Deferred inc. taxes	38,069	28,482
+Common stock	410	406
Stock purch. warrants	180	180
Add. paid-in capital	70,508	69,016
Cum. trans. adjust.	(1,725)	(1,429)
Retained earnings	108,310	88,469
Treasury stock	(4,917)	—
Total Liabilities & Shareholders Equity	$ 311,828	$ 271,546

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.77	7.95
%Net Income to Sales	6.23	5.31
%Net Income to Equity	14.12	10.79
Sales to Inventories	4.46	4.62
Working Capital	$117,779,000	$116,058,000
Current Ratio	2.45	2.78
Shareholders' Equity	$172,766,000	$156,642,000

CompuScan, Inc.

81 Two Bridges Road
Fairfield, New Jersey 07006
(201) 575-0500

Officers: Robert W. Fischer, chairman; Robert S. Bernstein, president & chief exec. officer; Vincent P. Marasco, exec. v.p., treasurer & chief financial officer; Fernando J. Silva, v.p.-mfg.; John F. de Raismes, v.p.-engineering; Peter F. Polizzano, v.p.-Office Products Marketing; Gerald M. Labie, v.p.-marketing; John C. Neth, v.p.-field engineering; Carol M. Darrow, secretary.

Directors: Robert S. Bernstein, William T. Burgin, Derrick Ashcroft, Robert W. Fischer, Daniel Sinnott, David S. Fine, Vincnt P. Marasco.

Areas of Work: Designs, manufactures and markets data acquisition systems, optical character reading systems and computer peripheral equipment.

Subsidiaries:

CompuScan International (DISC)
Optical Business Machines, Inc.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CSCN (NASDAQ)

Number of Employees:

1984	319	1981	300
1983	306	1980	300
1982	271		

Plant Footage:

1984	70,000 sq. ft.	1981	40,000
1983	70,000	1980	39,000
1982	40,000		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 21,612,000	$ 2,596,000
1983	17,841,000	2,455,000
1982	18,024,000	1,068,000
1981	16,847,000	178,000
1980	18,186,000	(6,163,000)

	No. of Com. Shares #	Earn. per Share #‡
1984	6,497,997	$ 0.40
1983	6,148,222	0.40
1982	3,915,079	0.27
1981	3,195,235	0.06
1980	2,474,555	—

(Loss)
‡ Including extraordinary credits of $1,173,000 ($0.18 per share) in 1984, $1,406,000 ($0.23 per share) in 1983, $472,000 ($0.12 per share) in 1982, $81,000 ($0.03 per share) in 1981, and extraordinary loss of $330,000 in 1980.
# Based on the average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 14,827,000	$ 2.28
1983	12,125,000	1.97
1982	2,598,000	0.66
1981	(423,000)	—
1980	(601,000)	—

(Deficiency)
‡ Based on the average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended May 31	1984	1983
Net revenues:		
Machines & hardware	$ 14,623	$ 12,552
Field engineering	6,989	5,289
Total	$ 21,612	$ 17,841
Cost of sales	11,348	8,906
Res., develop. engr. expenses	2,468	1,971
Sell., gen. & adm. exp.	5,582	5,059
Interest income	(580)	(115)
Income before taxes	$ 2,794	$ 2,020
Income taxes	1,371	971
Net Income	$ 1,423	$ 1,049
Extraord. gain	1,173	1,406
Net Income & extraord. gain	$ 2,596	$ 2,455

* Included in Costs and Expenses, Depreciation and Amortization: $1,932,000 in 1984 and $1,629,000 in 1983.

Assets

As of May 31	1984	1983
Cash & equiv.	$ 7,363	$ 4,561
Accts. receiv., net	3,907	3,935
*Inventories	2,329	3,044
Other curr. assets	66	103
Curr. Assets	$ 13,665	$ 11,643
#Fixed assets	3,161	2,968
Other assets	679	803
Total Assets	$ 17,505	$ 15,414

Liabilities
(000's)

Payable rel. to acq.	$ —	$ 700
Accts. payable	803	728
Accruals	1,761	1,740
Curr. Liabilities	$ 2,564	$ 3,168
Oblig. under cap. leases	114	121
+Common stock	630	622
Add. paid-in capital	18,630	18,532
Retained earnings (deficit)	(4,433)	(7,029)
Total Liabilities & Shareholders' Equity	$ 17,505	$ 15,414

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	12.93	11.32
%Net Income to Revenues	6.58	5.88
%Net Income to Equity	9.60	8.65
Working Capital	$11,101,000	$ 8,475,000
Current Ratio	5.33	3.68
Shareholders' Equity	$14,827,000	$12,125,000

Computer & Communications Technology Corp.

460 Ward Drive
Santa Barbara, California 93111
(805) 964-0771

Officers: E.T. Bahre, chairman of the board & chief executive officer; Robert L. McKay, v.p.-finance & chief financial officer; Jerry F. Smith, v.p.-personnel.

Directors: E.T. Bahre, chairman; William R. Hambrecht, Donald L. Jacobs, Graham Tyson, Melvin A. Shader, John C. Lobb, Peter F. Zinsli, Donald L. Jacobs, Graham Tyson.

Areas of Work: Through a group of autonomous operating subsidiaries serving high technology markets, manufactures high technology products for computer applications and high technology microwave products and subsystems for communications and aerospace applications.

Subsidiaries:

Information Magnetics Corporation
460 Ward Drive
Santa Barbara, California 93111

Designs, manufactures, refurnishes and sells magnetic disc recording heads used in magnetic recording data storage units (peripheral memories) for data processing systems.

Zeta Laboratories, Inc.
3265 Scott Boulevard
Santa Clara, California 95051

Engaged in the development and manufacture of high-technology microwave components and subsystems for communications and aerospace applications. Products include: synthesizers, oscillators, multipliers, doppler simulators, comb generators and tubable filters.

Information Magnetics Caribe Inc.
P.O. Box 758, Road 125 Kil. 1.0
Moca, Puerto Rico

Disctron, Inc.
1701 McCarthy Boulevard
Milpitas, California 95035

Ultra-Disc, Inc.
690 Gibraltar Drive
Milpitas, California 95051

Transfer Agent(s):

Security Pacific National Bank
Corporate Services Division, 2-70
P.O. Box 60228
Terminal Annex
Los Angeles, California 90060

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CCTC (NASDAQ)

Number of Employees:

1984	2,841	1981	1,769
1983	2,059	1980	1,320
1982	1,642		

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 119,618,000	$ 13,266,000
1983	80,697,000	(24,616,000)
1982	70,087,000	5,103,000
1981	61,711,000	6,208,000
1980	46,253,000	3,423,000

	No. of Com. Shares #	Earn. per share #‡
1984	7,745,000	$ 1.71
1983	7,673,000	—
1982	7,326,000	0.70
1981	6,552,000	0.95
1980	5,236,000	0.65

(Loss)

+ Of continuing operations only.

‡ Including extraordinary gan of $1,612,000 ($0.21 per share) in 1984.

# Based on the weighted average number of common shares and common shares equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 61,271,000	$ 7.91
1983	48,466,000	6.32
1982	72,221,000	9.86
1981	59,396,000	9.07
1980	18,044,000	3.45

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 119,618	$ 80,697
Other income	2,439	2,866
Total income	$ 122,057	$ 83,563
Cost of sales	87,305	76,832
Eng. & develop. exp.	7,429	5,095
Selling, gen. & adm. exp.	11,712	17,337
Interest expense	1,032	245
Write-off of goodwill	—	13,110
Income (loss) before taxes	$ 14,579	$ (29,056)
Income taxes (credit)	2,925	(4,440)
Net Income (Loss)	$ 11,654	$ (24,616)
Extraord. gain	1,612	—
Net Income (Loss) & extrard. gain	$ 13,266	$ (24,616)

* Included in Costs and Expenses, Depreciation and Amortization: $3,865,000 in 1984 and $17,570,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 12,255	$ 8,709
Refundable income taxes	—	3,689
Trade receiv.	24,501	16,582
*Inventories	20,636	15,605
Other curr. assets	1,092	1,136
Current Assets	$ 58,484	$ 45,721
#Fixed assets	21,943	15,097
Invest. and other assets	11,191	6,923
Total Assets	$ 91,618	$ 67,741

Liabilities
(000's)

Notes payable, curr.	$ 1,542	$ 159
Accts. payable	8,594	10,499
Accruals	6,010	6,523
Income taxes	1,890	704
Curr. Liabilities	$ 18,036	$ 17,885
Long-term notes pay.	12,311	1,390
+Common stock	3,082	3,090
Add. paid-in capital	50,510	50,963
Retained earnings (deficit)	7,679	(5,587)
Total Liabilities & Shareholders' Equity	$ 91,618	$ 67,741

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.40 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.19	—
%Net Income to Sales	9.74	—
%Net Income to Equity	19.02	—
Sales to Inventories	5.80	5.17
Working Capital	$40,448,000	$27,836,000
Current Ratio	3.24	2.56
Shareholders' Equity	$61,271,000	$48,466,000

Computer Automation, Inc.

4890 Sterling Drive
Boulder, Colorado 80301
(303) 444-8748

Officers: David H. Methvin, president & chief executive officer; Douglas L. Cutsforth, v.p. & general manager-Industrial Products Division; Stuart F. Dale, sr. v.p.; MacKenzie James Paige, v.p.-finance, chief financial officer & treasurer; Arthur A. Shafran, v.p.-finance & treasurer; Charles L. Smith, v.p. & general manager-Computer Products Division; Ira L. Robinson, v.p., secretary & general counsel.

Directors: Richard Bertea, George Pratt, Harold R. Frank, R.C. Mercure, Jr., David H. Methvin.

Areas of Work: Engaged in the development and production of minicomputers for original equipment manufacturers; also produces computerized systems built to test electronic circuitry, and distributed network systems for the decentralized facilities of large corporations. Also, markets CRT's and power supplies.

Divisions and Subsidiaries:

Computer Products Division
18651 Von Karman
Irvine, California 92713
(714) 833-8830

Commercial Systems Division
2181 Dupont Drive
Irvine, California 92713
(714) 833-8830

Industrial Products Division
1455 Broad St.
Bloomfield, New Jersey 07003
(201) 338-8870

Computer Automation, Ltd.
Hertford House
Denham Way, Maple Cross
Rickmansworth WD3 2XD
Hertfordshire, England

Computer Automation GmbH
Wesselinger Strasse 15-17
5000 Cologne 50
West Germany

Computer Automation Ireland Ltd.
IDA Industrial Estate
Clonsaugh, Coolock
Dublin 5, Ireland

Joint Venture:

Computer Automation (India) Ltd.
Unit 8 S.D.F.
Santa Cruz Electronics
Export Processing Zone, Anheri (East)
Bombay, India 40096

Transfer Agent(s):

Union Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CAUT (NASDAQ)

Number of Employees:

1984	910	1981	1,149
1983	N.A.	1980	1,338
1982	989		

Plant Footage:

1984	363,500 sq. ft.	1981	415,146
1983	N.A.	1980	377,011
1982	415,146		

N.A. - Not Available

Sales and Earnings

	Revenues	Net Income #
1984	$ 54,420,000	$ (7,795,000)
1983	60,561,000	(474,000)
1982	68,421,000	2,022,000
1981	75,588,000	1,650,000
1980	81,151,000	4,601,000

	No. of Com. Shares +	Earn. per Share + #
1984	2,061,261	$ —
1983	2,079,978	—
1982	2,055,320	0.98
1981	2,033,829	0.81
1980	1,999,089	2.30

(Loss)

+ Based on the weighted average number of shares outstanding assuming full dilution.

# Including extraordinary gain of $315,000 ($0.15 per share) in 1982.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 22,414,000	$ 10.87
1983	30,232,000	14.53
1982	30,663,000	14.92
1981	28,623,000	14.07
1980	26,496,000	13.25

+ Based on the weighted average number of shares outstanding assuming full dilution.

Income Account *

Year ended June 30	1984	1983
Revenues	$ 54,420,000	$ 60,561,000
Cost of prods. & serv.	30,944,000	30,551,000
Expenses	31,894,000	30,258,000
Interest expense	632,000	48,000
Other expense (income)	(1,693,000)	52,000
For. curr. trans.	438,000	442,000
Loss before taxes	$ (7,795,000)	$ (790,000)
Tax credit	—	(316,000)
Net Loss	$ (7,795,000)	$ (474,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,925,000 in 1984 and $1,783,000 in 1983.

Computer Automation, Inc.

Assets		
As of June 30	1984	1983
Cash	$ 2,676,000	$ 2,667,000
Accts. receiv., net	15,058,000	16,183,000
*Inventories	15,881,000	14,365,000
Prepaid expenses	333,000	489,000
Current Assets	$ 33,948,000	$ 33,704,000
#Fixed assets	6,625,000	7,566,000
Other assets	289,000	265,000
Total Assets	$ 40,862,000	$ 41,535,000
Liabilities		
Long-term debt, curr.	$ 2,713,000	$ 89,000
Accts. payable	3,558,000	3,913,000
Accruals	4,061,000	4,525,000
Income taxes	—	61,000
Curr. Liabilities	$ 10,332,000	$ 8,588,000
Note payable	6,000,000	—
Oblig. under cap. lease	1,606,000	2,174,000
Deferred income	510,000	541,000
+Common stock	206,000	206,000
Add. paid-in capital	9,509,000	9,506,000
Contrib. under emp. stock plan	11,000	37,000
Retained earnings	13,029,000	20,824,000
Note receivable	(341,000)	(341,000)
Total Liabilities & Shareholders' Equity	$ 40,862,000	$ 41,535,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Working Capital	$23,616,000	$25,116,000
Current Ratio	3.29	3.92
Shareholders' Equity	$22,414,000	$30,232,000

Computer Communications, Inc.

2610 Columbia Street
Torrance, California 90503
(213) 320-9101

Officers: Raymond E. High, chairman of the board & president; Carlton E. Vanderbeek, exec.v.p.-research; Ervin K. Dorff, sr. v.p.; Gene G. Ruckh, v.p.-finance; Harold L. Ridout, v.p.-manufacturing; Papken Sassouni, v.p.-special marketing; Jesse J. Acciacca, v.p.-customer service & development; Eugene M. Guffan, treasurer & secretary.

Directors: Raymond E. High, Carlton E. Vanderbeek, Ervin K. Dorff, Arnold W. Morrison, Sidney H. Stires, James S. Rice.

Areas of Work: CCI is a computer systems firm offering a complete range of system design, engineering and program development, data communications products include display/communications terminals, a communications processing computer with a complete set of associated storage units, peripheral devices and communications line interface modules, and complete data communications systems which utilize these products as components integrated together with operating software.

Subsidiaries:

CCI Systems, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Co. of California
445 S. Figueroa Street
30th Floor
Los Angeles, California 90071

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	147	1981	170
1983	148	1980	214
1982	150		

Plant Footage:

1984	N.A.	1981	50,000
1983	50,000 sq. ft.	1980	50,000
1982	50,000		

N.A. - Not Available.

Sales and Earnings

	Revenues ‡	Net Income #
1984	$ 10,709,354	$ 336,739
1983	10,981,851	601,496
1982	9,375,093	(744,292)
1981	11,006,139	(7,755,509)
1980	14,226,471	(7,000,392)

	No. of Com. Shares	Earn. per Share # +
1984	6,742,142	$ 0.06
1983	3,761,142	0.16
1982	3,761,142	—
1981	3,811,142	—
1980	3,748,241	—

(Loss)
‡ Of continuing operations only.
# Including extraordinary gains of $134,000 ($0.02 per share) in 1984 and $280,000 ($0.07 per share) in 1983.
+ Based on the weighted average number of common shares and commmon share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 905,804	$ 0.13
1983	(5,118,853)	—
1982	(5,725,112)	—
1981	(4,955,217)	—
1980	2,395,861	0.64

(Deficiency)

Income Account *

Year ended June 30	1984	1983
Net sales	$ 9,833,755	$ 10,875,989
Other income	875,599	105,862
Total income	$ 10,709,354	$ 10,981,851
Cost of sales	5,481,285	5,820,749
Expenses	4,745,781	4,021,340
Interest expense	145,549	538,266
Inc. bef. taxes	$ 336,739	$ 601,496
Income taxes	134,000	280,000
Net Income	$ 202,739	$ 321,496
Extraord. gain	134,000	280,000
Net Income & extraord. gain	$ 336,739	$ 601,496

* Included in Costs and Expenses, Depreciation and Amortization: $311,328 in 1984 and $305,013 in 1983.

Assets		
As of June 30	1984	1983
Cash	$ 393,555	$ 216,417
Short-term investments	1,750,000	—
Accts. & notes rec., net	1,945,484	2,705,846
*Inventories	2,648,968	2,026,706
Current Assets	$ 6,738,007	$ 4,948,969
Receivables	434,624	1,120,909
#Fixed assets	528,171	703,067
Other assets	213,335	87,083
Total Assets	$ 7,914,137	$ 6,860,028
Liabilities		
Notes payable	$ —	$ 4,058,988
Accts. payable	6,253,454	4,810,231
Accruals	764,879	3,109,662
Curr. Liabilities	$ 7,008,333	$ 11,978,881
+Common stock	6,742,142	3,761,142
Add. paid-in capital	17,394,226	14,692,357
Deficit	(23,118,081)	(23,454,820)
Notes receivable	(112,483)	(117,532)
Total Liabilities & Shareholders' Equity	$ 7,914,137	$ 6,860,028

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.42	5.53
%Net Income to Sales	2.06	2.96
%Net Income to Equity	22.38	—
Sales to Inventories	3.71	5.37
Shareholders' Equity (Deficiency)	$905,804	$(5,118,853)

Computer Consoles, Inc.

97 Humboldt Street
Rochester, New York 14609
(716) 482-5000

Officers: Herman A. Affel, Jr., chairman of the board, treasurer, & chief executive officer; Gary D. Haynes, sr. v.p.-marketing/systems operations; Jeffrey Tai, sr. v.p.-operations; Martin J. Couman, v.p. & gen. mgr.-computer systems group; Thomas I. Nientimp, v.p.-adm.; William N. Stirlen, v.p.-corp. development & president-Computer Consoles Leasing Corporation; Robert J. LoFaso, v.p.-corporate marketing and support services; John Morphy, v.p. & controller; J. William Reeves, secretary; John E. McNulty, v.p. & gen. mgr.-office systems group.

Directors: Herman A. Affel, Jr.*, George S. Beinetti*, Norman O. Bender, Jr.*, Edgar F. Heizer, Jr., Raymond S. Livingstone, Jr., Jeffrey Tai, Justin L. Vigdor*, H. Martin Weingartner.

* Member of the Executive Committee.

Areas of Work: Designs, develops, manufactures, markets, and services a variety of minicomputer-based, fault-tolerant integrated information systems which are primarily for the telephone industry.

Subsidiaries:

Computer Consoles Leasing Corporation
Time-Machine Ltd.

Transfer Agent(s):

Lincoln First Bank, N.A.
One Lincoln First Square
Rochester, New York 14643

Stock Exchange(s): American

Ticker Symbol: CCS

Number of Employees:

1984	N.A.	1981	846
1983	1,244	1980	712
1982	1,061		

Plant Footage:

1984	N.A.	1981	195,000
1983	235,000 sq. ft.	1980	110,000
1982	200,000		

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income
1984	$ 131,189,000	$ 6,290,000
1983	103,550,164	10,391,775
1982	79,102,215	7,438,794
1981	60,239,975	6,301,481
1980	50,959,416	4,837,278

	No. of Com. Shares †	Earn. per Share +
1984	11,325,033	$ 0.54
1983	11,111,640	0.87

1982	10,867,722	0.66
1981	10,714,694	0.56
1980	10,486,814	0.48

† Adjusted to reflect stock dividends.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	100%	—
1982	—	—	—
1981	—	—	—
1980	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 61,973,000	$ 5.47
1983	53,968,000	4.86
1982	41,105,000	3.78
1981	32,921,000	3.07
1980	24,935,000	2.38

† Adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1984	1983
Revenues	$ 131,189,000	$ 103,550,164
Cost of revenues	52,936,000	33,287,156
Expenses	63,710,000	46,314,004
Interest expense	8,330,000	7,408,313
Interest income	(593,000)	(1,069,784)
Income before taxes	$ 6,806,000	$ 17,610,475
Income taxes	516,000	7,218,700
Net Income	$ 6,290,000	$ 10,391,775

* Included in Costs and Expenses, Depreciation: $9,444,000 in 1984 and $6,380,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 4,217,000	$ 19,513,843
Accts. receiv., net	21,955,000	15,920,019
Lease receiv., curr.	15,438,000	17,993,664
*Inventories	38,228,000	15,258,079
Prepaid expenses	1,875,000	970,759
Current Assets	$ 81,713,000	$ 69,656,364
#Fixed assets	45,607,000	28,000,630
‡Field spare parts	9,592,000	7,429,000
Other assets	865,000	1,521,152
Lease receivables	93,167,000	61,919,229
Debt issuance costs	2,410,000	2,632,845
Total Assets	$ 233,354,000	$ 171,159,220

Liabilities

Short-term borrowings	$ 31,381,000	$ —
Accts. pay. & accruals	19,237,000	12,885,316
Rents received in adv.	2,765,000	1,522,275
Long-term debt, curr.	945,000	259,753
Deferred inc. taxes	300,000	3,226,000
Curr. Liabilities	$ 54,628,000	$ 17,893,344
Long-term debt	96,893,000	81,914,642
Deferred inc. taxes	19,860,000	17,382,903
+Common stock	1,133,000	1,111,164
Add. paid-in capital	21,333,000	19,492,022
Notes receiv. from stock sale	(720,000)	(571,591)
Retained earnings	40,227,000	33,936,736
Total Liabilities & Shareholders' Equity	$ 233,354,000	$ 171,159,220

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated appreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	5.19	17.01
%Net Income to Revenues	4.79	10.04
%Net Income to Equity	10.15	19.26
Working Capital	$27,085,000	$51,763,020
Current Ratio	1.50	3.89
Shareholders' Equity	$61,973,000	$53,968,331

Computer Image Corporation

2475 West Second Avenue
Suite 4
Denver, Colorado 80223
(303) 934-5801

Officers: Lee Harrison, III, chairman of the board & president; Pete Freyschlag, v.p.-production operations; Edwin J. Tajchman, vice president-engineering & secretary-treasurer.

Directors: Lee Harrison, III, chairman; David D. Connell, Robert C. Gathers, Daniel J. Yomine, Mark G. Benz.

Areas of Work: Engaged in the development, manufacture and marketing of electro-visual communication products, including Scanimate graphic animation systems and devices. Provides software for industrial, government and educational markets; character animation systems and film production.

Subsidiary:

Computer Image Overseas Corporation (DISC)
Denver, Colorado

Joint Ventures:

System IV
Santiago, Chile

System IV
Mexico City, Mexico

Kinetic Design Systems

Transfer Agent(s):

Mountain States Stock Transfer Agents, Inc.
470 South Colorado Boulevard
Suite 201
Denver, Colorado 80222

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CIMG (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income ‡
1983	$ 1,080,828	$ (177,843)
1982	1,903,933	172,295
1981	1,440,000	161,264
1980	1,500,000	104,310
1979	1,078,000	42,659

	No. of Com. Shares	Earn. per Share ‡†
1983	1,489,120	$ —
1982	1,489,120	0.12
1981	1,484,170	0.11
1980	1,484,170	0.07
1979	1,474,170	0.03

(Loss)
+ Of continuing operations only.
† Based on the weighted average number of common shares and common share equivalents outstanding.
‡ Including extraordinary gains of $74,000 ($0.05 per share) in 1982, $56,000 ($0.04 per share) in 1981, $28,000 ($0.02 per share) in 1980, and $11,200 ($0.01 per share) in 1979.

Income Account

Year ended June 30	1983	1982
Revenues	$ 1,080,828	$ 1,903,933
Cost of sales and services	443,484	470,762
Cost of computer system sold	—	477,046
Expenses	487,378	557,712
Depreciation & amortization	257,347	224,217
Eq. in loss of joint ventures	24,660	—
Interest expense	45,802	1,901
Income (loss) before taxes	$ (177,843)	$ 172,295
Income taxes	—	74,000
Net Income (Loss)	$ (177,843)	$ 98,295
Extraordinary gain	—	74,000
Net Income (Loss) & extraordinary gain	$ (177,843)	$ 172,295

Assets

As of June 30	1983	1982
Cash	$ 1,142	$ 1,068
Accts. & contracts receiv., net	20,443	80,370
*Inventories	26,873	197,102
Prepaid expenses & other assets	10,314	13,569
Install contract receiv.	19,712	57,786
Current Assets	$ 78,484	$ 349,895
Install contract receiv.	—	18,383
#Fixed assets	1,005,819	1,066,282
Intangibles	53,107	64,623
Invest. in joint ventures	296,990	248,500
Total Assets	$ 1,434,400	$ 1,747,683

Liabilities

Notes payable	$ 196,134	$ 77,592
Long-term debt, curr.	123,985	167,615
Accts. payable	174,133	265,325
Accruals	124,055	108,663
Deposit	9,000	—
Curr. Liabilities	$ 627,307	$ 619,195
Long-term debt	609,158	625,536
Deferred income	371,648	498,822
+Common stock	148,912	148,912
Add. paid-in capital	3,807,494	3,807,494
Deficit	(4,130,119)	(3,952,276)
Total Liabilities & Shareholders' Equity	$ 1,434,400	$ 1,747,683

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	9.05
%Net Income to Revenues	—	5.16
Shareholders' Equity (Deficiency)	$(173,713)	$4,130

Computer Products, Inc.

2900 Gateway Drive
Pompano Beach, Florida 33069

Post Office Box 23849
Fort Lauderdale, Florida 33307
(305) 974-5500

Officers: David Yoder, chairman of the board, president & chief executive officer, Edward J. Schneider, v.p. & gen. mgr.-Power Conversion Group; Keith F. Vreeland, v.p., finance, secretary & treasurer; K. John Del Vecchio, v.p. & gen. mgr.-Measurement & Control Group.

Computer Products, Inc.

Directors: David C. Yoder, Daniel S. Wiper, Edward J. Schneider, Bert Sager, Edward S. Croft, III, Keith F. Vreeland, J. Earl Templeton, Stephen A. Ollendorff.

Areas of Work: Designs, manufactures and markets industrial electronic systems, components and instruments. Products include its RTP family of analog and digital systems used in computer directed measurement and control applications. Also manufactures low-power encapsulated power conversion components, low-power digital recorders and other data gathering instruments.

Divisions and Subsidiaries:

Real Time Products
Systems Division
Bus Compatible Division
Measurement and Control Sales Division
Field Service and Education Division
Computer Products Caribe Ltd.
Stevens-Arnold, Inc.
Memodyne Corp.
Power Products Ltd.
CPRC, Inc.
Compower Corp.
Remote Systems, Inc.
Texprint, Inc.
Computer Products
Overseas Finance, N.V.
Grant Technology Systems Corp.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CPRD (NASDAQ)

Number of Employees:

1984	1,300	1981	700
1983	1,100	1980	400
1982	800		

Plant Footage:

1984 . . . . . . 350,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1984	$ 85,252,000	$ 8,742,000
1983	64,945,000	6,437,000
1982	45,006,300	3,857,000
1981	35,106,000	3,059,000
1980*	29,940,000	2,688,000

	No. of Com. Shares x	Earn. per Share x
1984	19,058,000	$ 0.46
1983	17,940,000	0.36
1982	16,426,000	0.23
1981	15,878,000	0.19
1980*	13,818,000	0.19

* 53 weeks.
× Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1
1983	—	—	—
1982	—	—	—
1981	—	33⅓%	—
1980	—	20%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 49,884,000	$ 2.65
1983	40,622,000	2.24
1982	23,735,000	1.45
1981	19,191,000	1.38
1980	16,296,000	1.17

‡ Adjusted to reflect stock dividends and stock split.

Income Account *

Year ended	12/31/84	12/30/83
Net sales	$ 85,252,000	$ 64,945,000
Cost of sales	45,420,000	33,428,000
Expenses	27,099,000	22,630,000
Interest income	(1,649,000)	(752,000)
Interest expense	1,621,000	428,000
Income before taxes	$ 12,761,000	$ 9,211,000
Income taxes	4,019,000	2,774,000
Net Income	$ 8,742,000	$ 6,437,000

* Included in Costs and Expenses, Depreciation: $2,337,000 in 1984 and $1,423,000 in 1983.

Assets

As of	12/31/84	12/30/83
Cash	$ 1,692,000	$ 677,000
Cert. of deposit	16,158,000	6,751,000
Accts. receiv., net	24,182,000	14,378,000
*Inventories	25,380,000	17,471,000
Prepaid expenses	546,000	724,000
Current Assets	$ 67,958,000	$ 40,001,000
#Fixed assets	19,201,000	11,948,000
Other assets	2,282,000	1,997,000
Total Assets	$ 89,441,000	$ 53,946,000

Liabilities

Note payable	$ 6,613,000	$ 2,382,000
Accts. payable	4,317,000	2,913,000
Accruals	5,828,000	3,160,000
Income taxes	2,205,000	310,000
Curr. Liabilities	$ 18,963,000	$ 8,765,000
Notes payable	18,445,000	4,128,000
Deferred inc. taxes	2,149,000	391,000
+ Common stock	188,000	91,000
Add. paid-in capital	20,041,000	19,593,000
Retained earnings	29,655,000	20,978,000
Total Liabilities & Shareholders' Equity	$ 89,441,000	$ 53,946,000

* At lower of standard cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.97	14.18
%Net Income to Sales	10.25	9.91
%Net Income to Equity	17.52	15.83
Sales to Inventories	3.36	3.72
Working Capital	$48,995,000	$31,236,000
Current Ratio	3.58	4.56
Shareholders' Equity	$49,884,000	$40,662,000

Computer Sciences Corporation

2100 E. Grand Avenue
El Segundo, California 90245
(213) 615-0311

Officers: William R. Hoover, chairman & president; George Barratt, v.p. & chief financial officer; Albert Gluckson, v.p.-legal & secretary; Alvin E. Nashman, v.p. & president-systems group; Roy Nutt, v.p.; Denis M. Crane, v.p. & controller; Robert T. Knight, v.p., pres-INFONET group; Lawrence Parkus, v.p.-corporate development; A.B. [illegible], v.p. & president-Industry Services Group; L. Scott Sharpe, v.p.-personnel.

Directors: William R. Hoover, chairman, George Barratt, Robert H. Bolman, Felix A. Kalinski, Alvin E. Nashman, Roy Nutt, Howard P. Allen, Robert R. Dockson.

Areas of Work: Plans, designs, engineers, integrates and operates computer-based systems and communications systems. It manages client computer facilities and provides operations and maintenance services for high-technology operations. It also provides value-added services in data communications, remote computing and distributed processing on its international communications network, and operates a number of other proprietary services for specific industries and markets.

Principal Operating Units:

Systems Group
6565 Arlington Boulevard
Falls Church, Virginia 22046

Applied Technology Division
Falls Church, Virginia

Defense Systems Division
Moorestown, New Jersey

Systems Division
Falls Church, Virginia

Systems Sciences Division
Silver Spring, Maryland

Systems International Division
Fairfax, Virginia

Information Network Group (INFONET)
2100 East Grand Avenue
El Segundo, California 90245

Communications Industry Services Division
Parsippany, New Jersey

Computer Sciences Canada, Inc.
Toronto, Ontario, Canada

Development and Operations Division
El Segundo, California

Government Systems Division
Arlington, Virginia

Industry Services Group
2100 East Grand Avenue
El Segundo, California 90245

Associated Credit Services, Inc.
Houston, Texas

Health and Administrative Services Division
Sacramento, California

Medical Systems Division
El Segundo, California

TACS Division
Los Angeles, California

CSC Computer Sciences Europe S.A.
350/358 Avenue Louise
Brussels, Belgium

CSC Computer Sciences Nederland B.V.
Zoetermeer, The Netherlands

CSC UK Computer Sciences Company Limited
London, England

CSID-Computer Sciences International
Deutschland GmbH
Munich, Federal Republic of Germany

CSC Computer Sciences (Schweiz) AG
Zurich, Switzerland

Affiliate(s):

Computer Sciences of Australia Pty. Ltd.
460 Pacific Highway, St. Leonards
Sydney, New South Wales 2065
Australia

Transfer Agent(s):

Bank of America, N.T. & S.A.
Corporate Agency Service Center
55 Hawthorne Street
San Francisco, California 94105

American Transtech
8000 Baymeadows Way
Jacksonville, Florida 32216

Stock Exchange(s): New York, Pacific

Ticker Symbol: CSC

Number of Employees:

1984 ...... 13,900 1983 13,500

Plant Footage:

1984 ...... 516,000 sq. ft. 1983 640,000

Sales and Earnings

	Revenues	Net Income
1984	$ 712,224,000	$ 18,266,000
1983	694,914,000	17,888,000
1982	630,174,000	17,781,000
1981	600,593,000	24,725,000
1980	452,634,000	22,698,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	13,795,647	$ 1.32
1983	13,601,866	1.32
1982	13,543,638	1.31
1981	13,583,284	1.82
1980	13,384,847	1.70

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Systems group	$ 514,000	$ 474,700
Information network svcs. group	93,400	134,500
Industry services group	104,800	85,700
Total	$ 712,200	$ 694,900

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 158,327,000	$ 11.60
1983	138,676,000	10.20
1982	119,681,000	8.81
1981	101,191,000	7.45
1980	75,330,000	5.63

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account
(000's)

Year ended	3/30/84	4/1/83
Revenues	$ 712,224	$ 694,914
Cost of services	584,109	568,357
Overhead -	60,410	60,588
Depreciation & amortization	19,981	19,032
Interest expense	5,253	4,558
Interest & other income	(1,499)	(2,109)
Expenses	13,487	11,964
Income before taxes	$ 30,483	$ 32,524
Income taxes	12,217	14,636
Net Income	$ 18,266	$ 17,888

Assets
(000's)

As of	3/30/84	4/1/83
Cash	$ 6,664	$ 2,767
Short-term invest.	6,106	9,509
Receivables	255,171	209,713
Prepaid expenses & other assets	7,173	5,042
Current Assets	$ 275,114	$ 227,031
Investments	38,094	33,815
#Fixed Assets	84,786	92,850
Total Assets	$ 397,994	$ 353,696

Liabilities
(000's)

Notes payable	$ 22,635	$ 13,782
Long-term debt., curr.	895	6,336
Accts. payable	36,806	22,794
Accruals	18,879	21,410
Accrued payroll	36,697	34,139
Advance contract payments -	13,094	19,348
Income taxes	68,120	49,836
Curr. Liabilities	197,126	167,645
Long-term debt	$ 5,104	$ 7,411
6% sub. conv. deben.	37,437	39,964
+ Common stock	14,942	14,917
Add. paid-in capital	13,624	12,811
Retained earnings	140,484	122,218
Cum. curr. trans. res.	(540)	(456)
Treasury stock	(10,183)	(10,814)
Total Liabilities & Shareholders' Equity	$ 397,994	$ 353,696

Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.28	4.68
%Net Income to Sales	2.56	2.57
%Net Income to Equity	11.54	12.90
Working Capital	$ 77,988,000	$ 59,386,000
Current Ratio	1.40	1.35
Shareholders' Equity	$158,327,000	$138,676,000

Computer Specialties Corporation

544 Tenth Street
Palisades Park, New Jersey 07650
(201) 947-0500

Officers: Edward Silver, president & treasurer; Lawrence Peskin, secretary.

Directors: Gerald Epner, Lawrence Peskin, Edward Silver.

Areas of Work: Involved in the manufacture and sale of micrographic equipment. Its products include PEPCO MFC Automatic Microfiche Cutter, the PEPCO MFI Microfiche Inspectors, and the FEPCO RPC roll paper cutter.

Transfer Agent(s):

Continental Stock Transfer & Trust Company

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984 ...... 5 1981 7
1983 ...... 5 1980 7
1982 6

Plant Footage:

1984 ...... 3,750 sq. ft. 1981 3,750
1983 ...... 3,750 1980 3,750
1982 ...... 3,750 –

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 242,760	$ 23,838
1983	275,000	42,910
1982	301,258	71,084
1981	345,786	69,578
1980	309,763	64,585

	No. of Com. Shares	Earn. per Share ‡†
1984	292,760	$ 0.07
1983	292,760	0.15
1982	292,760	0.24
1981	292,760	0.24
1980	292,760	0.22

‡ Including extraordinary gain of $2,103 ($0.01 per share) in 1980 and extraordinary loss of $18,081 ($0.07 per share) in 1984.
† Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 651,070	$ 2.22
1983	627,232	2.14
1982	584,322	2.00
1981	513,238	1.75
1980	443,660	1.52

Income Account *

Year ended June 30	1984	1983
Net sales	$ 242,760	$ 275,000
Cost of sales	141,318	143,811
Expenses	111,800	134,295
Oper. loss	$ (10,358)	$ (3,106)
Other income	54,296	53,154
Income before taxes	$ 43,938	$ 50,048
Income taxes	2,019	7,138
Net Income	$ 41,919	$ 42,910
Extraord. loss	(18,081)	—
Net Income & Extraord. loss	$ 23,838	$ 42,910

* Included in Costs and Expenses, Depreciation and Amortization, $10,791 in 1984 and $6,769 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 14,837	$ 12,230
Marketable securities	399,502	307,570
Accts. receiv., net	37,256	62,323
Notes receivable	9,319	9,319
*Inventories	85,323	107,173
Prepaid expenses & other receiv.	1,037	17,123
Current Assets	$ 546,824	$ 515,738
#Fixed assets	15,333	22,033
Other assets	108,970	118,289
Total Assets	$ 671,127	$ 656,060

Liabilities

Accts. payable	$ 5,305	$ 6,906
Accruals	6,323	10,408
Curr. Liabilities	$ 11,628	$ 17,314
Deferred taxes	8,429	11,514
+ Common stock	29,276	29,276
Add. paid-in capital	818,138	818,138
Retained earnings (deficit)	(196,344)	(220,182)
Total Liabilities & Shareholders' Equity	$ 671,127	$ 656,060

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	18.10	18.20
%Net Income to Sales	17.27	15.60
%Net Income to Equity	6.44	6.84
Sales to Inventories	2.85	2.57
Working Capital	$535,196	$498,424
Current Ratio	47.03	29.79
Shareholders' Equity	$651,070	$627,232

Computer Terminal Systems, Inc.

89 Arkay Drive
Hauppauge, New York 11788
(516) 435-2900

Computer Terminal Systems, Inc.

Officers: Gerald Schoenberg, president & chief executive officer; Edward Mermelstein, sr. v.p. & secretary; Elio Carlino, treasurer; Eugene J. Kelly, sr. v.p.-finance; Gerhard Schneider, v.p.-operations; Kenneth S. Oliver, v.p.-marketing; Bernard J. Stein, v.p.-engineering; Judith C. Hansen, secretary & executive asst. to president.

Directors: Edward Mermelstein, Kenneth Sonnenberg, Gerald Schoenberg, Donald W. Blood, David Gladstone, Eugene J. Kelly, Ronald D. Heath.

Areas of Work: Manufactures computer peripheral equipment, digital printers and industrial controls.

Transfer Agent(s):

Computer Terminal Systems, Inc.
Hauppauge, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CTML (NASDAQ)

Number of Employees:

1984	N.A.	1981	90
1983	N.A.	1980	55
1982	N.A.		

Plant Footage:

1984	56,000 sq. ft.	1981	17,000
1983	56,000	1980	15,000
1982	56,000		

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 8,654,189	$ (24,224)
1983	5,527,941	(232,615)
1982	5,378,336	(290,000)
1981	4,191,306	148,000
1980	3,678,890	345,000

	No. of Com. Shares +	Earn. per Share +
1984	1,487,002	$ —
1983	1,445,418	—
1982	1,445,430	—
1981	1,445,430	0.10
1980	1,445,438	0.24

(Loss)
+ Adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	3-for-2
1982	—	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 1,219,969	$ 0.82
1983	1,097,547	0.76
1982	1,330,162	0.92
1981	1,620,281	1.12

+ Adjusted to reflect stock splits.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 8,654,189	$ 5,527,941
Cost of sales	6,227,404	4,059,533
Expenses	1,789,230	1,475,844
Other expense	646,880	244,779
Prov. for loss on invest	14,899	293,000
Loss bef. taxes	$ (24,224)	$ (545,215)
Tax credit	—	(312,600)
Net Loss	$ (24,224)	$ (232,615)

* Included in Costs and Expenses, Depreciation and Amortization: $271,214 in 1984 and $215,120 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 113,389	$ 87,601
Accts. receiv., net	1,522,881	999,511
*Inventories	2,349,378	1,661,836
Prepaid expenses	47,437	22,923
Refund. inc. taxes	12,278	239,394
Deferred income tax benefit	8,300	25,900
Receivables	3,100,000	—
Current Assets	$ 7,153,663	$ 3,037,165
#Fixed assets	1,463,881	4,280,674
Due from affil.	—	22,115
Other assets	41,301	41,432
Total Assets	$ 8,658,845	$ 7,381,386

Liabilities

	1984	1983
Loans payable	$ 1,361,840	$ 502,949
Install. debt pay	203,621	181,919
Notes pay.-contractors	5,571	236,865
Notes pay.-trade	369,165	173,001
Accts. payable	1,536,741	1,529,344
Accruals & other liabilities	668,898	364,825
Mortgages payable	2,162,670	—
Curr. Liabilities	$ 6,308,506	$ 2,988,903
Long-term debt	1,083,670	3,155,636
Loan payable-officers	—	75,000
Deferred income taxes	46,700	64,300
+ Common stock	148,700	144,542
Add. paid-in capital	701,956	559,468
Retained earnings	369,313	393,537
Total Liabilities & Shareholders' Equity	$ 8,658,845	$ 7,381,386

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	3.68	3.33
Working Capital	$ 845,157	$ 48,262
Current Ratio	1.13	1.02
Shareholders' Equity	$1,219,969	$1,097,547

Computer Transceiver Systems, Inc.

P.O. Box 15
East 66 Midland Avenue
Paramus, New Jersey 07652
(201) 261-6800

Officers: Allen G. Jacobson, president & chief executive officer; Berthold Salz, sr. v.p.; Robert A. Norman, v.p.-marketing; Paul Buccola, v.p.-operations; Donald A. Weigh, v.p.-engineering; Irwin Roth, secretary; Seymour H. Bucholz, asst. secretary.

Directors: Allen B. Jacobson, Robert E. Wernikoff, Robert E. Morris, Michael L. Wolfe, Harry Zimmerman.

Areas of Work: Manufactures portable terminals and end-to-end data communications systems.

Transfer Agent(s):

Chemical Bank
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CTSI (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 5,164,000	$ (154,000)
1983	6,489,000	223,000
1982	5,273,000	79,000
1981	6,576,000	222,000
1980	6,459,000	317,000

	No. of Com. Shares	Earn. per Share
1984	800,305	$ —
1983	790,305	0.28
1982	776,596	0.10
1981	774,405	0.30
1979	770,736	0.44

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,908,000	$ 4.88
1983	3,996,000	5.06
1982	3,693,000	4.76
1981	3,507,000	4.53
1980	3,241,000	4.63

Income Account *

Year ended February 28	1984	1983
Net sales	$ 1,823,079	$ 2,929,529
Other income	3,340,936	3,559,679
Total income	$ 5,164,015	$ 6,489,208
Cost of sales	1,447,580	2,485,865
Leased equipment	567,690	504,078
Expenses	3,217,500	3,151,923
Interest expenses	102,527	98,262
Income (loss) before taxes	$ (171,282)	$ 249,080
Income taxes (credit)	(17,585)	26,000
Net Income (Loss)	$ (153,697)	$ 223,080

* Included in Costs and Expenses, Depreciation and Amortization: $702,462 in 1984 and $631,781 in 1983.

Assets

As of February 28	1984	1983
Cash	$ 96,203	$ 221,810
Accts. receiv., net	485,758	572,080
Investment, curr.	368,750	200,973
*Inventories	2,142,136	2,054,676
Prepaid expenses	99,855	151,657
Current Assets	$ 3,192,702	$ 3,201,196
Investment	770,879	509,347
Equipment	1,248,615	1,389,256
#Fixed assets	328,844	328,844
Other assets	55,397	55,397
Total Assets	$ 5,588,296	$ 5,484,040

Liabilities

	1984	1983
Notes payable	$ 200,000	$ —
Long-term debt, curr.	17,652	6,800
Accts. payable	356,222	380,308
Accrued liabilities	223,629	242,335
Advances	109,609	87,658
Curr. Liabilities	$ 907,112	$ 717,101
Long-term debt	533,785	510,951
Deferred income	239,000	260,000
+ Common Stock	8,003	7,903
Capital	2,381,139	2,343,739
Retained earnings	1,576,655	1,730,352
Deferred compensation	(57,398)	(86,006)
Total Liabilities & Shareholders' Equity	$ 5,588,296	$ 5,484,040

* At lower of cost (FIFO) or estimated realizable value.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	8.50
%Net Income to Sales	—	7.61
%Net Income to Equity	—	5.58
Sales to Inventories	0.85	1.43
Working Capital	$2,285,590	$2,484,095
Current Ratio	3.52	4.46
Shareholders' Equity	$3,908,399	$3,995,988

Computervision Corporation

15 Crosby Drive
Bedford, Massachusetts 01730
(617) 275-1800

Officers: Martin Allen, chairman; James R. Berrett, president and chief executive officer; Lon F. Bonczek, Jr., v.p.-human resources; Richard L. Buckingham, treasurer; Robert Callaway, v.p. & group exec.-operations division; David Friedman, v.p. & general manager-Product Technology; Karl H. Geng, v.p. & group exec.-International Division; Robert P. Gothie, v.p. & group exec.-North America Division; Richard I. Krieger, v.p.-finance & chief financial officer; Victor Larkin, v.p. & controller; Philip L. Read, sr. v.p.; Richard V. Paulson, v.p. & group exec.-Product Group.

Directors: Martin Allen*, chairman; Boruch B. Frusztajer, James R. Berrett*, Robert L. Gable*, Philip L. Read*, Herbert Roth, Jr.*, Robert C. Wilson.

* Member of the Executive Committee.

Areas of Work: Engaged primarily in the design, development, manufacture and marketing of computer-controlled systems which automate critical phases of the product cycle, including concept development, detailed design drafting, and production. These systems, which include both hardware and software, enable customers to automate certain repetitive design and manufacturing processes which generally are performed manually with conventional equipment. The Company's products are used in the design and preparation of graphical data in a wide spectrum of industries, including the automotive, aerospace, communication, electronics, and mapping industries, and in automated production and testing in the electronics and semiconductor industries, and architectural and construction firms for structural designs.

Divisions and Subsidiaries:

Computervision B.V.
Amsterdam, Holland

Computervision Northern Europe AB
Stockholm, Sweden

Computervision Oy
Finland

Computervision S.A.
Paris, France

Computervision GmbH
Frankfurt, West Germany

Computervision International Corporation
Bedford, Massachusetts 01730

Computervision, S.r.l.
Milan, Italy

Computervision, Limited
Blunham, England

Computervision, N.V.
Brussels, Belgium

Computervision do Brasil
Industria E Comercio Limitada, Brazil

Computervision Asia, Ltd.
Japan

Computervision A/S
Norway

Computervision de Espana, S.A.
Spain

Computervision de Argentina S.A.
Argentina

Computervision Productivity Centre, Ltd.
United Kingdom

Computervision Australia, Ltd.
Australia

Computervision Canada Inc.
Ontario, Canada

Computervision Designer Systems (HK) Ltd.
Hong Kong

Computervision (Europe) Inc.
United Kingdom

Computervision Denmark A/S
Copenhagen, Denmark

Computervision Pte. Ltd.
Singapore

Computervision (Schweiz) AG
Switzerland

Computervision Produktion GmbH
West Germany

Organization for Industrial Research
Waltham, MA

Grado Software und Computer Systeme GmbH
West Germany

Cambridge Interactive Systems Limited
United Kingdom

Applied Graphics Systems (Europe) B.V.
The Netherlands

Applied Graphics Systems Europe GesmbH
Austria

Applied Graphics Systems Iberica SA
Spain

AGS Applied Graphics Systems AG
Switzerland

Applied Graphics Systems Deutschland GmbH
West Germany

Applied Graphics Systems (Sweden) AG
Sweden

Metheus-CV, Inc.
Hillsboro, Oregon

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: CVN

Number of Employees:

1984	6,530	1981	3,800
1983	5,070	1980	2,966
1982	4,130		

Plant Footage:

1984	2,180,000 sq. ft.	1981	1,361,000
1983	1,850,000	1980	900,000
1982	1,537,000		

Sales and Earnings

	Revenues #	Net Income +
1984	$ 556,342,000	$ 47,726,000
1983	400,032,000	35,340,000
1982	325,185,000	32,381,000
1981	270,706,000	31,763,000
1980	191,086,000	23,321,000

	No. of Com. Shares †	Earn. per Share ‡ +
1984	28,621,030	$ 1.66
1983	28,320,808	1.24
1982	27,410,562	1.18
1981	27,295,905	1.16
1980	26,765,620	0.90

# Of continuing operations only.
+ Including extraordinary gain of $3,715,000 ($0.13 per share) in 1984.
† Adjusted to reflect stock splits.
‡ Based on the weighted average number of common shares outstanding, including shares issuable under stock options adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 263,366,000	$ 9.20
1983	219,995,000	7.77
1982	179,780,000	6.56
1981	144,993,000	5.31
1980	108,480,000	4.05

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Revenues	$ 556,342,000	$ 400,032,000
Cost of sales	255,813,000	185,539,000
Expenses	226,828,000	163,308,000
Other income	(820,000)	(2,842,000)
Interest expense	7,265,000	4,012,000
Interest income	(2,470,000)	(3,525,000)
Income before taxes	$ 69,726,000	$ 53,540,000
Income taxes	22,000,000	18,200,000
Inc.- cont. oper.	$ 47,726,000	$ 35,340,000
Loss- discont. oper.	(10,000,000)	—
Net Income	$ 37,726,000	$ 35,340,000
Extraord. gain	3,715,000	—
Net Income & extraord. gain	$ 41,441,000	$ 35,340,000

* Included in Costs and Expenses, Depreciation and Amortization: $40,677,000 in 1984 and $31,447,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 1,956,000	$ 3,702,000
Investments	55,608,000	23,219,000
Accts. receiv., net	182,237,000	108,014,000
*Inventories	63,272,000	36,924,000
Prepaid expenses	5,711,000	2,970,000
Current Assets	$ 308,784,000	$ 174,829,000
#Fixed assets	156,788,000	125,173,000
Serv. spares & materials	50,458,000	36,049,000
Other assets & notes receiv.	22,427,000	13,134,000
Total Assets	$ 538,457,000	$ 349,185,000

Liabilities

Notes payable, long-term debt & cap. lease oblig., curr.	$ 19,469,000	$ 12,384,000
Accts. payable	45,803,000	31,931,000
Accruals	45,346,000	32,202,000
Accrued income taxes payable	11,712,000	18,229,000
Curr. Liabilities	$ 122,330,000	$ 94,746,000
Long-term debt	34,024,000	31,913,000
Convertible sub. debtures	110,000,000	—
Deferred income taxes & credits	8,737,000	2,531,000
+Common stock	1,431,000	1,416,000
Add. paid-in capital	78,285,000	73,741,000
Retained earnings	184,137,000	144,838,000
Cum. trans. adj.	(487,000)	—
Total Liabilities & Shareholders' Equity	$ 538,457,000	$ 349,185,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.53	13.38
%Net Income to Sales	6.78	8.83
%Net Income to Equity	14.32	16.06
Sales to Inventories	8.79	10.83
Working Capital	$186,454,000	$ 80,083,000
Current Ratio	2.52	1.85
Shareholders' Equity	$263,366,000	$219,995,000

Comtech Inc.

North Shore Atrium II
6900 Jericho Turnpike
Syosset, New York 11791
(516) 496-7040

Officers: F. Kornberg, chairman of the board & chief executive officer; G.A. Reed, president & chief operating officer; Earle Schaller, Milton L. Deever, Leonard Kardon, William R. McEwen, Jr., v.p.'s.; Joseph P. Scherer, v.p., general counsel & secretary; Michael H. Taber, controller & treasurer.

Directors: F. Kornberg, chairman; B. Adler, G. Bugliarello, M.L. Deever, S.S. Weiner, G. Reed, J. Schein, J. Davis.

Areas of Work: Designs and markets fully integrated communication terminals, including antennas; receiving and transmitting systems for satellite communication earth stations and for microwave and troposcatter communications using FM, video, voice and digital data signals; high power and low noise amplifiers for communication, radar and ECM applications; communication system test equipment; digital communication systems; SCPC equipment; digital modems, coders, decoders, signal processing and switching equipment; CATV earth station.

Divisions and Subsidiaries:

Comtech Data Corporation
Scottsdale, Arizona

Comtech Microwave Corp.
Hauppauge, New York

Premier Microwave Corp.
Port Chester, New York

Comtech Government Systems Division
Hauppauge, New York

Comtech Antenna Corp.
St. Cloud, Florida

Acquisition(s):

Premier Microwave Corporation
33 New Broad Street
Port Chester, New York 10573
(914) 939-8900

Designs, manufactures and markets microwave components including coaxial and wave-guide components and printed circuit analogs of these components.

Comtech Communications Corp.
6150 Lookout Road
Boulder, Colorado 80301

Produces microprocessor-controlled telephone voice concentrating/multiplexing and related equipment.

Transfer Agent(s):

American Transfer Co.
44 Beaver Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CMTL (NASDAQ)

Number of Employees:

1983	730	1982	520

Plant Footage:

1983	290,000 sq. ft.	1982	226,000

Sales and Earnings

	Net Sales +	Net Income #
1983	$ 36,589,000	$ 1,409,000
1982	33,487,000	2,380,000
1981	31,669,000	1,194,000
1980	25,221,000	(10,670,000)
1979	30,496,000	941,000

	No. of Com. Shares †	Earn. per Share ‡ #
1983	3,844,465	$ 0.36
1982	3,735,232	0.64
1981	3,557,066	0.33
1980	3,492,946	—
1979	3,478,746	0.26

(Loss)
+ Of continuing operations only.
# Including extraordinary gains of $1,024,000 ($0.28 per share) in 1982 and $585,000 ($0.16 per share) in 1981.
† Adjusted to reflect stock dividend.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1983	$ 10,042,000	$ 2.61
1982	5,625,000	1.51
1981	2,854,119	0.80
1980	1,241,651	0.36
1979	11,770,523	3.38

† Adjusted to reflect stock dividend.

Income Account *

Year ended July 31	1983	1982
Net sales	$ 36,589,000	$ 33,487,000
Cost of sales	24,658,000	23,232,000
Expenses	8,763,000	6,528,000
Interest expense	1,122,000	1,312,000
Gain on sale of assets	—	(248,000)
Income before taxes	$ 2,046,000	$ 2,663,000
Income taxes	680,000	1,164,000
Inc. cont. oper.	$ 1,366,000	$ 1,499,000
Inc. (loss)-discont. oper.	43,000	(143,000)
Net Income	$ 1,409,000	$ 1,356,000
Extraord. gain	—	1,024,000
Net Income & Extraord. gain	$ 1,409,000	$ 2,380,000

* Included in Costs and Expenses, Depreciation and Amortization: $937,000 in 1983 and $693,000 in 1982.

Assets

As of July 31	1983	1982
Cash & short-term invest.	$ 2,780,000	$ 4,316,000
Accts. receiv., net	11,666,000	5,662,000
*Inventories	14,760,000	3,516,000
Other curr. assets	825,000	213,000
Current Assets	$ 30,031,000	$ 13,707,000
#Fixed assets	10,394,000	5,278,000
Other assets	1,738,000	694,000
Total Assets	$ 42,163,000	$ 19,679,000

Liabilities

Accts. payable	$ 2,570,000	$ 1,233,000
Accruals & taxes withheld	5,506,000	3,291,000
Adv. contract pay. receiv.	204,000	690,000
Est. loss on contracts	2,307,000	2,517,000
Long-term debt, curr.	1,285,000	356,000
Curr. Liabilities	$ 11,872,000	$ 8,087,000
Long-term debt	19,687,000	5,967,000
Def. inc. taxes pay.	562,000	—
+Common stock	385,000	374,000
Add. paid-in capital	6,729,000	3,732,000
Retained earnings	2,928,000	1,519,000
Total Liabilities & Shareholders' Equity	$ 42,163,000	$ 19,679,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	14.03	24.11
Sales to Inventories	2.48	9.52
Working Capital	$18,159,000	$5,620,000
Current Ratio	2.53	1.69
Shareholders' Equity	$10,042,000	$5,625,000

Conrac Corporation

Three Landmark Square
Stamford, Connecticut 06901
(203) 348-2100

Officers: Donald H. Putnam, president & chief exec. officer; Paul E. Graf, president & chief operating officer; Clyde W. Kaericher, v.p.-finance; Joseph O'Donnell, Thomas J. Harriman, Lawrence M. Ryan, Walter J. Joyce, v.p.'s; Francis E. O'Riordan, secretary; Joseph F. Smorada, controller.

Directors: Walter Burke*, Daniel T. Carroll*, John C. Lowe, Donald H. Putnam, Ken E. Mathysen-Gerst, Arthur H. Thornhill, Jr., Frederick S. Wonham, Thomas K. Denton*, Paul E. Graf.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Telecommunications Group:

Code-A-Phone Corp
16261 S.E. 130th Avenue
Clackamas, Oregon 97015

Manufactures call controllers, sequences, telephone answering machines.

Alston Division
1724 S. Mountain Avenue
Duarte, California 91010
(213) 357-2121

Manufactures telephone traffic monitoring equipment, telephone service observing equipment and telephone test equipment.

Industrial Group:

Goodrich Division
3560 Chicago Drive
Hudsonville, Michigan 49426
(616) 669-1000

Automatic welding equipment, resistance welding transformers.

Machine Tool Division
9200 Bolsa Avenue
Westminster, California 92683
(714) 894-4711

Automated tube benders and finishers, structural beam welders, pressing and staking tools.

Rixson-Firemark Division, Inc.
9100 West Belmont Avenue
Franklin Park, Illinois 60131
(312) 671-5670

Smoke-operated door closers, concealed and overhead closers, external and internal door pivots, fire and intrusion protection products.

Information Group

Conrac Division
600 N. Rimsdale Avenue
Covina, California 91722
(213) 966-3511
Computer terminals, video monitors, alpha-numeric CRT displays.

Conrac Elektron GmbH (Subsidiary)
Weikersheim, Germany
Electronic teaching products, computer peripheral equipment, large audience information displays.

Systems Components Division
1600 S. Mountain Avenue
Duarte, California 91010
(213) 359-9141
Products include aerospace transducers, mil-spec video displays, aircraft control systems.

Transfer Agent(s):

Harris Trust Co. of New York
110 William Street
New York, New York 10038

Stock Exchange(s): New York, Pacific

Ticker Symbol: CAX

Number of Employees:

1984	1,603	1981	1,785
1983	1,905	1980	1,855
1982	1,638		

Plant Footage:

1984	N.A.	1981	698,000
1983	864,000 sq. ft.	1980	802,000
1982	698,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales †	Net Income
1984	$ 154,284,000	$ 13,013,000
1983	141,136,000	6,985,000
1982	116,261,000	8,065,000
1981	114,708,000	3,251,000
1980	118,749,000	4,650,000

	No. of Com. Shares +	Earn. per Share + #
1984	6,012,000	$ 2.12
1983	6,161,000	1.18
1982	4,536,000	1.76
1981	4,339,000	0.67
1980	4,260,000	1.02

† Of continuing operations only.
+ Adjusted to reflect stock split.
# Based on the average number of common shares outstanding assuming no dilution.

Revenues By Line of Business

	1984	1983
Info. display & control	$ 62,844,000	$ 60,425,000
Telecommunications	58,270,000	51,575,000
Architectural & industr. prods.	33,170,000	29,136,000
Total	$ 154,284,000	$ 141,136,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.40	—	2-for-1
1982	0.40	—	—
1981	0.40	—	—
1980	0.40	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1984	$ 85,113,000	$ 14.16
1983	76,634,000	12.44
1982	47,163,000	10.40
1981	38,163,000	8.80
1980	36,241,000	8.51

‡ After allowing for preferred stock, Series A and Series B at liquidation value of $50 per share.
+ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 154,284	$ 141,136
Cost of sales	114,857	101,617
Expenses	27,732	25,280
Interest expense	945	1,776
Nonrecurring items	(15,073)	—
Income before taxes	$ 25,823	$ 12,463
Income taxes	12,810	5,478
Net Income	$ 13,013	$ 6,985

* Included in Costs and Expenses, Depreciation and Amortization: $4,072,000 in 1984 and $3,554,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 3,302	$ 1,709
Accts. receiv., net	33,215	26,390
*Inventories	41,825	37,601
Prepaid expenses	9,527	3,177
Current Assets	$ 87,869	$ 68,877
#Fixed assets	23,098	25,005
Other assets & intangibles	22,848	15,939
Total Assets	$ 133,815	$ 109,821

Liabilities
(000's)

Notes payable	$ 14,858	$ 1,833
Long-term debt, current	1,705	1,635
Accts. payable	7,272	7,240
Accrued payroll	3,469	3,933
Income taxes	3,072	1,179
Other liabilities	8,239	5,852
Curr. Liabilities	$ 38,615	$ 21,672
Long-term debt	7,099	8,111
Deferred inc. taxes	1,159	1,180
+ Redeem. pref. stock	—	311
+ + Preferred stock:		
Series A	25	25
Series B	158	166
+ + + Common stock	4,059	4,025
Add. paid-in capital	37,643	36,664
Retained earnings	48,733	38,238
For. curr. trans. adj.	(217)	20
Treasury stock	(3,459)	(591)
Total Liabilities & Shareholders' Equity	$ 133,815	$ 109,821

* At lower of average cost or market.
# Less accumulated depreciation & amortization.
+ $5 par value, $1.50 cumulative convertible, mandatory redemptions.
+ + $5 par value; $2 cumulative convertible.
+ + + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.74	8.83
%Net Income to Sales	8.43	4.95
%Net Income to Equity	14.97	8.89
Sales to Inventories	3.69	3.75
Working Capital	$49,254,000	$47,205,000
Current Ratio	2.28	3.18
Shareholders' Equity	$86,942,000	$78,547,000

Control Data Corporation

8100 34th Avenue South
Minneapolis, Minnesota 55420
(612) 853-8100

Mailing address:
P.O. Box 0
Minneapolis, Minnesota 55440

Officers: William C. Norris, chairman of the board & chief exec. officer; Norbert R. Berg, deputy chairman; Robert M. Price, president & chief operating officer; Eugene L. Baker, v.p.-resources mgt. & administrative services; Walter H. Bruning, president-United School Services of America, Inc.; Joseph D. Minutilli, chairman, president & chief exec. officer-Commercial Credit Co.; Gordon R. Brown, president-peripheral marketing & planning; Franklin R. Dawe, v.p.-personnel & administration; Robert W. Duncan, president-international operations; Roger D. Shobar, v.p.-business & technology cooperative ventures; Jack J. Karnowski, v.p. & treasurer; John W. Lacey, exec. v.p.-technology & planning; Thomas W. Miller, exec. v.p.-corporate marketing; Lawrence Perlman, pres.-Peripheral Products Co.; Marvin G. Rogers, exec. v.p. & chief financial officer; L. Charles Roskam, sr. v.p.-operations, finance & controller; Herbert F. Trader, v.p.-urban & rural ventures; George F. Troy, president-Computer & Consulting Services Group; Henry J. White, president-Computer Products Group; Daniel R. Pennie, v.p., gen. counsel & secretary; David P. White, president-Business Services Group.

Directors: William C. Norris*, chairman; Russell A. Nelson, Bernard A. Schriever, Judson Bemis, Joseph W. Barr, Norbert R. Berg*, Paul G. Miller, Robert M. Price*, Richard G. Lareau*, Leroy F. Stutzman, Joseph M. Walsh, James C. Worthy, Lois Dickson Rice, Marvin G. Rogers, Michael W. Wright, Ralph Hofstad, Ruth M. Davis, Marilyn Carlson Nelson.

* Member of the Executive Committee.

Areas of Work: Develops, manufactures and markets computers, ranging from very large to small in size, and used in education, engineering, general data processing and specialized control systems worldwide; also makes and markets industrial instruments and controls and aerospace products. Markets computer peripheral equipment, including disk drives, magnetic tape transports, printers, card readers, card punches, terminals, data entry systems, mass storage systems and computer supplies, such as disk packs and magnetic tape. Provides computer services. Data services utilizing communications networks and major computer centers, process scientific, engineering and business data. Professional services include maintenance, architectural design, consulting and education. Commercial Credit Company, a wholly-owned subsidiary, provides financial services through more than 800 offices in the U.S., Canada, Europe and Asia. These include personal loans, installment financing, business loans and leasing services, vehicle and equipment leasing, factoring, real estate financing, and life, health, credit and casualty insurance.

Divisions and Subsidiaries:

Computer and Consulting Services Group
Business Services Group
United Schools Services of America

ARB (American Research Bureau), Inc.
4320 Ammendale Road
Beltsville, Maryland 20705

Autocon Industries, Inc.
2200 Berkshire Lane
Minneapolis, Minnesota 55427

ETA Systems, Inc.
Designs, manufactures and markets scientific computers.

The Service Bureau Corporation
1350 Avenue of the Americas
New York, New York 10019

Joint Ventures:

Microelectronics and Computer Technology
Austin, Texas

Semiconductor Research Corporation

Transfer Agent(s):

First National Bank of Minneapolis (common and preferred)
P.O. Box A799
Minneapolis, Minnesota 55480

Control Data Corporation

First National Bank of Minneapolis (common and preferred)
c/o Bradford Trust
67 Broad Street
New York, New York 10004

Stock Exchange(s): New York, Midwest, Pacific, Toronto, Frankfurt, Lausanne, Geneva, Zurich, Basle, Amsterdam.

Ticker Symbol: CDA

Number of Employees:

1984	54,123	1981	60,627
1983	55,858	1980	57,068
1982	56,005		

Sales and Earnings

	Revenues (000's)	Net Income # (000's)
1984	$ 5,026,900	$ 31,600
1983	4,582,800	161,700
1982	4,340,300	155,100
1981	4,126,700	170,600
1980	3,753,000	150,600

	No. of Com. Shares ‡	Earn. per Share ‡#
1984	38,520,000	$ 0.81
1983	38,338,000	4.20
1982	37,595,000	4.11
1981	37,735,000	4.48
1980	35,270,000	4.23

# Including extraordinary gain of $2,800,000 ($0.08 per share) in 1980.
‡ Based on the weighted average number of common stock and common stock equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.66	—	—
1983	0.60	—	—
1982	0.550	—	—
1981	0.475	—	2-for-1
1980	0.30	—	—

+ Adjusted to reflect stock split.

Common Stock Fquity

	Total Equity ‡ (000's)	Equity Per Share
1984	$ 1,764,300	$ 45.80
1983	1,814,000	47.59
1982	1,713,500	46.10
1981	1,564,100	42.20
1980	1,399,900	37.94

‡ After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Revenues:		
Info. serv. & prods.:		
Net sales	$ 2,083,400	$ 1,915,700
Services	1,401,400	1,251,000
Rentals exp.	270,700	341,200
Total	$ 3,755,500	$ 3,507,900
Financial serv.:		
Int. disc. serv. charges	753,600	638,100
Insur. premiums	325,700	301,000
Invest. & other inc.	192,100	135,800
Total	$ 1,271,400	$ 1,074,900
Total Revenues	5,026,900	4,582,800
Costs & expenses:		
Info serv. & prods.:		
Cost of sales	1,514,000	1,356,600
Cost of serv.	798,100	711,500
Cost of rentals	82,600	113,400
Expenses	790,500	711,900
Tech. expenses	422,500	379,700
Interest expense	90,100	81,900
Total	$ 3,697,800	$ 3,355,000
Financial serv.:		
Interest expense	493,100	368,300
Oper. expenses	384,200	347,500
Prov. for losses on receiv.	45,900	59,600
Insur. losses & loss exp.	266,400	238,800
Total	$ 1,189,600	$ 1,014,200
Total Costs & Expenses	4,887,400	4,369,200
Inc. (loss) bef. taxes:		
Info. serv. & prods.	(72,500)	152,900
Fin. serv.	81,800	60,700
Total	$ 9,300	$ 213,600
Income taxes (credit)	(36,400)	45,800
Minority int. & equity in oper. of affil.	14,100	6,100
Net Income	$ 31,600	$ 161,700

* Included in Costs and Expenses, Depreciation and Amortization: $208,400,000 in 1984 and $199,300,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 93,400	$ 156,300
Info. serv. & prods.:		
Trade & other receiv., net	620,500	571,100
*Inventories	864,500	710,400
× Leased & data ctr. equip.	269,200	316,300
#Fixed assets	428,900	387,500
Financial serv.:		
Fin. & rel. receiv., net	5,238,200	4,565,700
Marketable secur.	1,239,700	1,450,000
#Fixed assets	39,400	39,100
Deferred income taxes	15,400	—
Other assets	779,700	581,200
Total Assets	$ 9,588,900	$ 8,777,600

Liabilities
(000's)

Accts. pay. & accruals	$ 1,170,400	$ 1,123,500
Debt oblig.	5,908,900	5,075,900
Deferred inc. taxes	—	92,400
Minority interests	68,300	60,300
Other liabilities	665,700	600,000
+ Preferred stock	11,300	11,500
+ + Common stock	19,300	19,200
Add. paid-in capital	511,200	507,200
Retained earnings	1,369,600	1,373,600
For. curr. trans. adjust.	(119,900)	(74,100)
Other equity items	(15,900)	(11,900)
Total Liabilities & Stockholders' Equity	$ 9,588,900	$ 8,777,600

* At lower of cost (FIFO or average) or market; work in progress and finished goods are valued at cost not in excess of realizable values.
× Less accumulated depreciation.
# Less accumulated depreciation and amortization.
+ $100 par value; 4½% cumulative.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	4.66
%Net Income to Revenues	0.84	3.53
%Net Income to Equity	1.78	8.86
Shareholders' Equity	$1,775,600,000	$1,825,500,000

Control Laser Corporation

11222 Astronaut Boulevard
Orlando, Florida 32821
(305) 851-2540

Officers: Roy D. Ray, v.p.-technology; John R. Richardson, v.p.-systems; B.G.L. Switzer, president; I. Townsend Burden, III, secretary; H. Bowen Gillespie, controller.

Directors: Robert D. van Roijen, Jr., chairman of the board; I. Townsend Burden III, Childs F. Burden, Robert L. Tull, F. Philip Handy, S. John Byington, Frank Thomas.

Areas of Work: Engaged in the development, manufacture and marketing of high powered industrial lasers. Solid state lasers, gas lasers, dye lasers and accessories are marketed to original equipment manufacturers, universities and laboratories.

Subsidiaries:

Control Laser Limited
Broad March
Long March Industrial Estate
Daventry, Northants
England NN11 4NR

Transfer Agent(s):

Barnett Bank Trust Company, N.A.
Jacksonville, Florida

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CLSR (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income
1984	$ 15,806,790	$ (1,733,213)
1983	15,980,792	(5,119,764)
1982	13,240,145	(1,259,260)
1981	14,202,404	1,429,914
1980	13,331,054	1,231,947

	No. of Com. Shares †	Earn. per Share †
1984	3,118,163	$ —
1983	3,109,141	—
1982	3,094,385	—
1981	3,050,256	0.47
1980	2,622,788	0.47

(Loss)
+ Of continuing operations only.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	0.07	—	—
1980	0.07	—	3-for-2

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 7,671,053	$ 2.46
1983	9,341,031	3.00
1982	14,593,094	4.72
1981	15,741,699	5.16
1980	14,444,615	5.51

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 15,806,790	$ 15,980,792
Cost of sales	12,840,262	13,232,851

Expenses	8,430,507	8,434,556
Interest expense	873,228	559,628
Gain on sale	(5,842,005)	—
Loss on market. secur.	1,123,343	—
Other expense (income)	74,668	51,008
Loss before taxes	$ (1,693,213)	$ (6,297,251)
Income taxes (credit)	40,000	(1,177,487)
Net Loss	$ (1,733,213)	$ (5,119,764)

* Included in Costs and Expenses, Depreciation and Amortization: $837,305 in 1984 and $730,307 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 171,127	$ 293,329
Marketable securities	5,551,205	—
Accts. receiv., net	2,019,925	5,154,580
Investment	60,693	73,254
*Inventories	6,229,687	8,008,567
Refund. inc. taxes	—	1,248,931
Prepaid expenses	81,649	329,491
Current Assets	$ 14,114,286	$ 15,108,152
#Fixed assets	3,131,829	3,835,006
Other assets	487,586	958,445
Total Assets	$ 17,733,701	$ 19,901,603

Liabilities

Oblig. under cap. leases, curr.	$ 87,203	$ 77,517
Accts. payable	983,816	2,009,873
Accruals	1,586,835	1,390,074
Curr. Liabilities	$ 2,657,854	$ 3,477,464
Long-term debt	7,139,412	6,670,781
Oblig. under cap. leases	265,382	340,594
Minority interest	—	71,733
+ Common stock	31,269	31,189
Add. paid-in capital	12,310,915	12,331,637
Retained earnings (Deficit)	(4,060,414)	(2,327,201)
Unrealized currency losses	(607,350)	(412,459)
Loss on eq. securities	—	(170,146)
Treasury stock	(3,367)	(111,989)
Total Liabilities & Shareholders' Equity	$ 17,733,701	$ 19,901,603

* At lower of cost (FIFO or accumulated production costs) or market.

# Less accumulated depreciation and amortization.

+ $0.01 par value.

Statistical Summary

Sales to Inventories	2.54	2.00
Working Capital	$11,456,432	$11,630,688
Current Ratio	5.31	4.34
Shareholders' Equity	$7,671,053	$ 9,341,031

Cooper Industries, Inc.

P.O. Box 4446
Houston, Texas 77210
(713) 739-5400

Officers: Robert Cizik, chairman & president; Alan E. Riedel, sr. v.p.-administration; Dewain K. Cross, sr. v.p.-finance; Robert B. Dyer, sr. v.p.-planning and development; C. Baker Cunningham, exec. v.p.-operations-Tools & Hardware; H. John Riley, Jr., exec. v.p.-operations-Electrical and Electronic Products; Michael J. Sebastian, exec. v.p.-operations-Compression and Drilling Equipment; Edgar A. Bircher, v.p. & general counsel; Thomas W. Campbell, v.p.-public affairs; Joseph R. Coppola, v.p.-manufacturing services; D. Bradley McWilliams, v.p.-taxes; Carl J. Plesnicher, Jr., v.p.-employee relations; Roger A. Scott, v.p., secretary & corporate counsel; Lawrence H. Polsky, v.p.-personnel; Alan J. Hill, treasurer; William A. Agnew, controller.

Directors: Robert Cizik, chairman; E.L. Miller, Robert W. Baldwin, C. Roland Christensen, John P. Diesel, Clifford J. Grum, John G. McElwee, John D. Ong, Alan E. Riedel, John M. Stafford.

Areas of Work: The Company is engaged in three primary areas of business: Compression & Drilling Equipment; Tools & Hardware; and Electrical & Electronic Products.

Divisions and Subsidiaries:

ELECTRICAL & ELECTRONIC PRODUCTS:

Crouse-Hinds Electrical Construction Materials
Syracuse, New York

Crouse-Hinds Distribution Equipment
Earlysville, Virginia

Crouse-Hinds Lighting Products
Vicksburg, Mississippi

International Operations
Syracuse, New York

Belden Electronic Wire and Cable
Richmond, Indiana

Belden Electrical Wire Products
Geneva, Illinois

Arrow Hart
Hartford, Connecticut

TOOLS & HARDWARE:

Apex
Dayton, Ohio

Cooper Air Tools
Lexington, South Carolina

Cooper Hand Tools
Raleigh, North Carolina

Kirsch
Sturgis, Michigan

COMPRESSION & DRILLING EQUIPMENT:

Energy Services Group
Mt. Verono, Ohio

Demco
Oklahoma City, Oklahoma

Funk
Coffeyville, Kansas

Gardner-Denver Compressors
Quincy, Illinois

Gardner-Denver Mining & Construction
Roanoke, Virginia

Martin-Decker
Cedar Park, Texas

Petroleum Equipment
Quincy, Illinois

Acquisition(s):

Turner Industries
A leading manufacturer of propane torches and accessories.

Computer Cable Division of Phalo Corporation
Computer cable.

Transfer Agent(s):

First City National Bank of Houston
Houston, Texas

Ticker Symbol: CBE

Number of Employees:

1984	N.A.	1982	30,990
1983	29,838	1981	39,000

N.A. - Not Available.

Sales and Earnings

	Revenues + (000's)	Net Income (000's)
1984	$ 2,029,915	$ 106,864
1983	1,850,280	71,169
1982	2,393,989	135,135
1981	2,866,031	284,545
1980	2,335,923	185,216

	No. of Com. Shares †	Earn per Share †
1984	42,724,000	$ 2.13
1983	42,909,000	1.29
1982	43,107,000	2.76
1981	44,587,000	6.02
1980	43,268,000	3.91

+ Of continuing operations only.

† Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Compression & drilling equip.	$ 642,926	$ 556,001
Tools & hardware	586,453	518,162
Electrical & electronic prods.	798,310	768,174
Other	2,226	7,943
Total	$ 2,029,915	$ 1,850,280

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.52	—	—
1983	1.52	—	—
1982	1.52	—	—
1981	1.24	—	—
1980	1.08	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$1,059,157,000	$ 24.79
1983	1,069,688,000	24.93
1982	1,083,300,000	25.35
1981	1,102,637,000	25.10
1980	894,180,000	20.48

‡ After allowing for preferred stock at liquidation values.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Revenues	$ 2,029,915	$ 1,850,280
Cost of sales	1,357,949	1,250,359
Expenses	368,376	363,101
Depreciation & amortization	73,636	67,909
Interest expense	20,572	28,460
Income before taxes	$ 209,382	$ 140,451
Income taxes	102,518	69,282
Net Income	$ 106,864	$ 71,169

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 9,175	$ 9,025
Receiv., net	337,907	335,461
*Inventories	582,303	582,244
Other assets	69,707	81,696
Current Assets	$ 999,092	$ 1,008,426
#Fixed assets	685,548	683,318
Intangibles	231,803	222,036
Investments	37,255	35,667
Total Assets	$ 1,953,698	$ 1,949,447

Liabilities
(000's)

Short-term debt	$ 9,994	$ 58,569
Long-term debt, curr.	10,723	9,546

Cooper Industries, Inc.

Accts. payable & accruals	354,135	323,887
Income taxes	50,345	16,391
Curr. Liabilities	$ 425,197	$ 408,393
Long-term debt	156,765	175,005
Deferred inc. taxes	131,593	115,400
+ Preferred stock series B	689	747
+ + Preferred stock $2.90 series	5,484	5,483
+ + + Common stock	220,523	220,523
Add. paid-in capital	255,236	256,551
Retained earnings	871,695	845,534
Translation component	(44,247)	(31,512)
Treasury stock	(69,237)	(46,677)
Total Liabilities & Shareholders' Equity	$ 1,953,698	$ 1,949,447

* At lower of cost (primarily LIFO) or net realizable value.
# Less accumulated depreciation.
+ No par value; $2.50 cum. convert.
+ + No par value; $2.90 cum. convert.
+ + + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.31	7.59
%Net Income to Sales	5.26	3.85
%Net Income to Equity	8.62	5.69
Sales to Inventories	3.49	3.18
Working Capital	$ 573,895,000	$ 600,033,000
Current Ratio	2.35	2.47
Shareholders' Equity	$1,240,143,000	$1,250,649,000

Corcom, Inc.

1600 Winchester Road
Libertyville, Illinois 60048
(312) 680-7400

Officers: Werner E. Neuman, president; Joseph C. Emma, II, v.p.-sales; Michael B. Head, v.p.-engineering/manufactering; Eugene F. Migely, Jr., v.p.-marketing; Charles R. Whitchurch, v.p.-finance & treasurer; Walter Roth, secretary.

Directors: Jr., Werner E. Neuman, David B. Pivan, Herbert L. Roth, Walter Roth, Gene F. Straube, John C. Colman.

Areas of Work: Manufactures and markets power line interference filters which control radio frequency interference emitted by electronic equipment. The filters prevent malfunctions in electronic devices and suppress noise pollution.

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CORC (NASDAQ)

Number of Employees:

1984	1,285	1982	889
1983	1,300		

Plant Footage:

1984	233,000 sq. ft.	1982	153,000
1983	182,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 32,350,000	$ 2,895,000
1983	26,120,000	1,808,000
1982	20,986,000	1,304,000
1981	19,385,000	1,542,000
1980	19,030,000	1,392,000

	No. of Com. Shares +	Earn. per Share ‡
1984	3,468,964	$ 0.83
1983	3,453,004	0.61
1982	2,739,304	0.47
1981	2,772,904	0.56
1980	2,513,462	0.55

+ Adjusted to reflect stock split.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 25,933,000	$ 7.48
1983	22,983,000	7.69
1982	12,224,000	4.42
1981	10,904,000	3.99
1980	9,362,000	3.73

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net Sales	$ 32,350,000	$ 26,120,000
Cost of sales	19,944,000	16,894,000
Engineering expenses	1,515,000	1,315,000
Sell., adm. & other expenses	7,807,000	5,769,000
Interest income	(596,000)	(63,000)
Income before taxes	$ 3,680,000	$ 2,205,000
Income taxes	785,000	397,000
Net Income	$ 2,895,000	$ 1,808,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,129,000 in 1984 and $924,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 684,000	$ 838,000
Marketable securities	5,308,000	7,814,000
Accts. receiv., net	4,916,000	4,766,000
*Inventories	11,679,000	5,624,000
Def. inc. tax benefits	507,000	259,000
Other cur. assets	673,000	481,000
Current Assets	$ 23,767,000	$ 19,782,000
#Fixed assets	8,976,000	7,737,000
Total Assets	$ 32,743,000	$ 27,519,000

Liabilities

Notes payable	$ 280,000	$ —
Long-term debt, curr.	12,000	11,000
Accts. payable	1,620,000	1,179,000
Income taxes	59,000	—
Other accruals	1,335,000	1,083,000
Curr. Liabilities	$ 3,306,000	$ 2,273,000
Long-term debt	1,222,000	1,235,000
Deferred inc. taxes	2,282,000	1,028,000
+ Common stock	13,376,000	13,321,000
Retained earnings	12,557,000	9,662,000
Total Liabilities & Shareholders' Equity	$ 32,743,000	$ 27,519,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income before Taxes to Sales	11.38	8.44
%Net Income to Sales	8.95	6.92
%Net Income to Equity	11.16	7.87
Sales to Inventories	2.77	4.64
Working Capital	$20,461,000	$17,509,000
Current Ratio	7.19	8.70
Shareholders' Equity	$25,933,000	$22,983,000

Corning Glass Works

Houghton Park
Corning, New York 14831
(607) 962-9000

Officers: James R. Houghton, chairman; Thomas C. MacAvoy, Van C. Campbell, vice-chairmen; Richard Dulude, president-Electronics and Telecommunications group; E. Martin Gibson, president-Health and Science Group; Amory Houghton, Jr., chairman of executive committee; William H. Hudson, president-Consumer and Industry group; James L. Flynn, sr. v.p. & treasurer; James E. Riesbeck, v.p. & controller; William C. Ughetta, sr. v.p., secretary & general counsel; Kenneth W. Freeman, controller.

Directors: James R. Houghton, chairman; Amory Houghton, Jr., Van C. Campbell, Thomas C. MacAvoy, Mary L. Bundy, Francis H. Burr, John B. Coburn, Robert L. Genillard, Carla A. Hills, James W. Kinnear, Edward L. Palmer, Donald S. Perkins, Henry Rosovsky, Robert G. Stone, Jr., Robert S. McNamara, Thomas J. Perkins, Richard Dulude, E. Martin Gibson, William H. Hudson, Vernon E. Jordon, Jr., James J. O'Connor, Thomas J. Perkins.

Areas of Work: Operates in four broad industry segments: Consumer products-manufactures tablewares and housewares including glass and glass-ceramic cookware for cooking, serving, and storing food, indoor plant containers, and "Steuben" lead crystal. Consumer Durable Components-produces bulbs for both black and white and color television sets, automotive halogen-cycle lamps, bulbs, tubing, lenses, reflectors, and filters used in automotive pollution control devices. Capital Goods Components-manufactures refractory blocks, technical ceramics based on zirconia, oxygen sensors, electronic components such as resistors and capacitors, optical waveguides, optical cables, copper cable, and aircraft windows. Health and Science-manufactures medical diagnostic products, optical ware, and ophthalmic lenses, laboratory ware, and glass piping.

Subsidiaries:

Components, Incorporated
Biddeford, Maine

MetPath Inc.
Teterboro, New Jersey

Corning International Corporation
Corning, New York

Corning Canada Inc.
Toronto, Ontario, Canada

Corning Glas GmbH
Wiesbaden, West Germany

Corning Limited
Sunderland, England

Corning Europe Inc.
Paris, France

Corning Japan Inc.
Tokyo, Japan

Corning K.K.
Tokyo, Japan

Corning S.p.A.
Milan, Italy

Corning Trading (Singapore) Pte. Ltd.
Singapore

IMA Gilford Analysentechnik GmbH
Giessen, West Germany

Malkin Ltd.
Stoke-on-Kent, England

Rigolleau, S.A.
Buenos Aires, Argentina

Productos Corning de Mexico, S.A. de C.V.
Monterrey, Mexico

Sovcor, S.A.
Paris (Le Vesinet), France

Corning France, S.A.
Avon, France

Corning Enterprises, Inc.
Corning, New York

Teddington Company Limited
Hamilton, Bermuda

Vidros Corning Brasil, Ltda.
Suzano, Brazil

Gilford Instrument Laboratories, Inc.
Oberlin, Ohio

E.I.V.S., S.A.
Paris (Villeneuve-la-Garenne), France

Q.V.F. Glastechnik, GmbH
Wiesbaden, West Germany

Corning Latin America/Asia-Pacific, Inc.
Corning, New York

Dow Corning Corporation (50% owned)
Midland, Michigan

Pittsburgh Corning Corporation (50% owned)
Pittsburgh, Pennsylvania

Borosil Glass Works Limited (39.5% owned)
Bombay, India

Crown Corning Limited (50% owned)
Sydney, N.S.W. Australia

Iwaki Glass Company, Ltd. (49.8% owned)
Tokyo, Japan

Fibres Optiques Industries, S.A. (40% owned)
Paris, France

Genencor Inc. (50% owned)
San Francisco, California

Specialist Dairy Ingredients (50% owned)
Cheshire, England

Nutrisearch Company (50% owned)
Cincinnati, Ohio

Optical Fibres (50% owned)
Clywd, Wales

Pittsburgh Corning Europe, N.V. (50% owned)
Brussels, Belgium

Samsung-Corning Company Ltd. (50% owned)
Seoul, Korea

Siecor GmbH (50% owned)
Munich, Germany

Radelcor Intrument Sales Ltd. (49% owned)
Budapest, Hungary

Corning (H.K.) Ltd.
Hong Kong

Draloric Electronic GmbH
Selb, West Germany

N-Cor Ltd. (50% owned)
Nagoya, Japan

Vitrocrisa Kristal, S.A. (45% owned)
Monterrey, Mexico

Siecor Corporation (50% owned)
Hickory, North Carolina

Corvire, SARL (50% owned)
Paris, France

Sicover, S.A. (45% owned)
Aniche, France

Transfer Agent(s):

Chase Lincoln First Bank, N.A.
Corporate Agency Department
P.O. Box 1250
Rochester, New York 14603

Stock Exchange(s): * New York, Zurich, Boston, Midwest, Pacific, Philadelphia

* Listed and/or traded.

Ticker Symbol: GLW

Number of Employees:

1984	26,900	1981	29,900
1983	27,600	1980	28,800
1982	29,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,732,700	$ 100,300
1983	1,589,400	92,200
1982	1,578,700	74,500
1981	1,714,100	103,700
1980	1,622,500	120,500

	No. of Com. Shares +	Earn. per Share +
1984	42,240,000	$ 2.38
1983	42,126,000	2.19
1982	42,332,000	1.76
1981	42,166,000	2.46
1980	41,444,000	2.91

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Consumer products	$ 413,100	$ 388,100
Consumer durable components	378,800	351,100
Capital goods components	420,000	323,700
Health & science	520,800	526,500
Total	$ 1,732,700	$ 1,589,400

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.19	—	2-for-1
1983	1.16	—	—
1982	1.16	—	—
1981	1.16	—	—
1980	1.08	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share +
1984	$ 1,067,100	$ 25.26
1983	1,032,700	24.51
1982	1,016,400	24.01
1981	1,027,900	24.38
1980	956,700	23.08

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Net sales	$ 1,732,700	$ 1,589,400
Cost of sales	1,173,200	1,063,900
Expenses	470,100	457,500
Oper. profit	$ 89,400	$ 68,000
Other expense (income)	19,300	(17,400)
Interest expense	38,200	38,500
Interest income	(21,600)	(24,000)
Income before taxes	$ 53,500	$ 70,900
Income taxes	18,200	13,700
Minority interest	(200)	(600)
Equity in earnings of assoc. companies	(53,400)	(34,400)
Net Income	$ 88,900	$ 92,200

* Included in Costs and Expenses, Depreciation and Amortization: $111,000,000 in 1984 and $106,100,000 in 1983.

Assets
(000's)

As of	12/30/84	1/1/84
Cash	$ 38,700	$ 32,000
Short-term invest.	70,900	109,100
Accts. receiv., net	244,400	226,900
Notes receivable	—	24,500
*Inventories	251,500	229,500
Prepaid exp. & def. inc. taxes	98,500	79,900
Current Assets	$ 704,000	$ 701,900
Investments	426,600	374,100
#Fixed assets	641,800	610,900
Goodwill	17,800	16,500
Other assets	66,600	71,200
Total Assets	$ 1,856,800	$ 1,774,600

Liabilities
(000's)

Loans payable	$ 31,700	$ 29,400
Accts. payable	98,600	82,800
Accrued liabilities & accruals	71,500	73,900
Wages & employee benefits	101,800	68,600
Income taxes	56,500	61,300
Costs of business restruct.	17,000	28,400
Curr. Liabilities	$ 377,100	$ 344,400
Loans payable	309,100	315,300
Accrued furnace repairs	22,700	21,300
Minority interest	—	1,500
Deferred invest. credits & deferred inc. taxes	42,300	29,900
Other liabilities	38,500	29,500
+ Common stock	167,500	122,100
Retained earnings	969,700	959,900
Trans. adjustments	(70,100)	(49,300)
Total Liabilities & Shareholders' Equity	$ 1,856,800	$ 1,774,600

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.09	4.46
%Net Income to Sales	5.13	5.80
%Net Income to Equity	8.33	8.93
Sales to Inventories	6.89	6.93
Working Capital	$ 326,900,000	$ 357,500,000
Current Ratio	1.87	2.04
Shareholders' Equity	$1,067,100,000	$1,032,700,000

CPT Corporation

8100 Mitchell Road
P.O. Box 295
Minneapolis, Minnesota 55440
(612) 937-8000

Officers: Dean F. Schell, chairman of the board, chief executive officer and president; Gordon Foster, v.p. & chief financial officer; Jerome J. Jenko, Eugene DiMenna, Fred Valfer, Gerald Galush, Stephen Hayden, Clarence Lehman, Paul A. Moquist, James L. Weinhold, vice presidents; Brian D. Kovalchuk, v.p. & controller; David Priebe, v.p., secretary & general counsel.

Directors: Dean F. Schell, chairman; John Gerlach, Thomas G. Herschbach, John R. MacLennan, Lawrence Perlman, Willard C. Shull III, Andrew H. Van de Ven.

Areas of Work: The corporation designs, manufactures and distributes office automation equipment including consoles, mass storage systems and printers as well as related software.

Transfer Agent(s):

First Trust Co.
St. Paul, Minnesota

CPT Corporation

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CPTC (NASDAQ)

Number of Employees:

1984	1,744	1981	994
1983	1,581	1980	702
1982	1,368		

Plant Footage:

1984	N.A.	1981	278,000
1983	445,000 sq. ft.	1980	187,000
1982	402,000		

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 200,324,000	$ 17,411,000
1983	178,455,000	17,721,000
1982	145,027,000	15,863,000
1981	101,344,000	12,516,000
1980	59,277,000	6,112,000

	No. of Com Shares	Earn. per Share #
1984	16,707,553	$ 1.05
1983	16,551,587	1.07
1982	16,282,068	0.97
1981	14,569,930	0.83
1980	13,965,651	0.45

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-1

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 129,730,000	$ 7.76
1983	111,651,000	6.75
1982	89,421,000	5.49
1981	52,932,000	3.63
1980	32,864,000	2.35

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 180,652	$ 157,187
Rentals & maint.	19,672	21,268
Total revenues	$ 200,324	$ 178,455
Cost of sales	98,378	78,872
Cost of rentals & maint.	9,761	8,858
Expenses	66,845	63,032
Interest expense	4,781	5,102
Interest income	(4,737)	(3,497)
Other expense	1,894	2,269
Income before taxes	$ 23,402	$ 23,819
Income taxes	5,991	6,098
Net Income	$ 17,411	$ 17,721

* Included in Costs and Expenses, Depreciation and Amortization: $13,037,000 in 1984 and $11,941,000 in 1983.

Assets
(000's)

As at June 30	1984	1983
Cash	$ 5,331	$ 3,659
Marketable securities	25,267	22,288
Accts. receiv., net	74,955	58,147
Other receiv.	3,423	5,283
*Inventories	47,484	36,338
Other curr. assets	1,181	2,126
Current Assets	$ 157,641	$ 127,841
#Fixed assets	52,442	56,215
Other assets	4,985	4,030
Total Assets	$ 215,068	$ 188,086

Liabilities
(000's)

Notes payable	$ 248	$ 511
Long-term debt, curr.	1,453	1,441
Accts. payable	16,062	13,080
Salaries & comm. payable	3,802	3,412
Income taxes	4,972	2,014
Accrued liab.	7,029	5,784
Deferred revenue	4,605	2,694
Curr. Liabilities	$ 38,171	$ 28,936
Long-term debt	3,963	5,327
Convert. subord. deben.	38,895	38,895
Deferred inc. taxes	4,309	3,277
+Common stock	836	828
Add. paid-in capital	50,715	49,664
Retained earnings	78,570	61,159
Foreign curr. trans.	(391)	—
Total Liabilities & Shareholders' Equity	$ 215,068	$ 188,086

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Revenues	11.68	13.35
%Net Income to Revenues	8.69	9.93
%Net Income to Equity	13.42	15.87
Working Capital	$119,470,000	$ 98,905,000
Current Ratio	4.13	4.42
Shareholders' Equity	$129,730,000	$111,651,000

Craig Corporation

921 West Artesia Boulevard
Compton, California 90220
(213) 537-1233

Officers: Robert Craig, chairman of the board & chief executive officer; Peter M. Behrendt, president; Edward Y. Motokane, exec. vice president; P. Algis Raulinaitis, sr. v.p.-finance & secretary; Kent W. Davidson, v.p.-marketing; Marshal R. Brown, v.p.-quality & customer service; Robert L. Woolheater, v.p., controller and treasurer.

Directors: Robert Craig, chairman; James E. Cross, Sydney Rosenberg, Peter M. Behrendt, Edward Motokane, Harvey Karp, Robert S. Dickerman.

Divisions and Subsidiaries:

Craig Intra-con Electronics Corp.
1225 Wakeham Avenue
Santa Ana, California 92705
(714) 547-6559

Manufactures printed circuit boards and fixtures to test boards and panels.

Dimension Specialty Co., Inc.
921 West Artesia Boulevard
Compton, California 90220
(213) 537-1233

Imports custom photographic accessories for major retailers.

Transfer Agent(s):

Bank of America NT & SA
111 West 7th Street
Los Angeles, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: CRA

Number of Employees:

1984	427	1981	695
1983	409	1980	873
1982	561		

Plant Footage:

1984	289,000 sq. ft.	1981	330,000
1983	289,000	1980	369,000
1982	330,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 50,243,000	$ (5,958,000)
1983	50,105,000	(6,895,000)
1982	74,528,000	1,393,000
1981	104,596,000	(1,942,000)
1980	115,713,000	(383,000)

	No. of Com Shares	Earn. per Share #
1984	1,772,173	$ —
1983	1,782,090	—
1982	3,015,091	0.46
1981	3,024,755	—
1980	3,027,328	—

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Consumer electronics	$ 18,455,000	$ 29,502,000
Electronic components	15,115,000	6,297,000
Photographic equip.	16,673,000	14,306,000
Total	$ 50,243,000	$ 50,105,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	0.125	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 12,828,000	$ 7.24
1983	18,861,000	10.58
1982	38,356,000	12.72
1981	37,023,000	12.24
1980	38,981,000	12.88

Income Account *

Year ended June 30	1984	1983
Net sales	$ 50,243,000	$ 50,105,000
Cost of sales	42,701,000	41,562,000
Expenses	10,437,000	16,598,000
Interest exp. (income)	262,000	(323,000)
Loss before taxes	$ (3,157,000)	$ (7,732,000)
Tax credit	—	(525,000)
Loss from cont. oper.	$ (3,157,000)	$ (7,207,000)
Inc. (loss) - discont. oper.	(2,801,000)	312,000
Net Loss	$ (5,958,000)	$ (6,895,000)

* Included in Costs and Expenses, Depreciation and Amortization: $885,000 in 1984 and $917,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 347,000	$ 2,702,000
Receiv., net	6,102,000	8,161,000

*Inventories	7,081,000	7,300,000
Prepaid expenses	218,000	210,000
Assets of discont. oper.	2,238,000	—
Current Assets	$ 15,986,000	$ 18,373,000
#Fixed assets	3,936,000	5,297,000
Assets of discont. oper.	1,262,000	—
Other assets	783,000	1,754,000
Total Assets	$ 21,967,000	$ 25,424,000

Liabilities

Bank notes payable	$ 3,875,000	$ 1,607,000
Accts. payable	1,512,000	2,072,000
Other liabilities	2,167,000	1,896,000
Trade acceptances & advances	662,000	103,000
Inc. taxes payable	446,000	373,000
Curr. Liabilities	$ 8,662,000	$ 6,051,000
Other liabilities	477,000	460,000
Minority interest	—	52,000
+Common stock	788,000	788,000
Add. paid-in capital	4,214,000	4,214,000
Retained earnings	21,911,000	27,869,000
Treasury stock	(14,085,000)	(14,010,000)
Total Liabilities & Shareholders' Equity	$ 21,967,000	$ 25,424,000

* At lower of cost (FIFO) or market. Electronics inventories at average cost.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

Sales to Inventories	7.10	6.86
Working Capital	$ 7,324,000	$12,322,000
Current Ratio	1.85	3.04
Shareholders' Equity	$12,828,000	$18,861,000

Cray Research, Inc.

608 Second Avenue S.
Minneapolis, Minnesota 55402
(612) 333-5889

Officers: John A. Rollwagen, chairman of the board & chief exec. officer; Lester T. Davis, exec. v.p.; John Carlson, exec. v.p. & chief financial officer; Marcelo A. Gumucio, exec. v.p.; Andrew Scott, vice chairman & counsel; F. Brett Berlin, v.p.-government relations; Michael Dickey, v.p.-international marketing; Robert A. Gaertner, v.p.-human resources & communications; Bruce Kasson, v.p. government marketing; Michael J. Lindseth, v.p.-finance & treasurer; Steve S. Chen, v.p.-development; Margaret Loftus, v.p.-software development; M. Dean Roush, v.p.-engineering; Don Whiting, v.p.-manufacturing; Richard Morris, v.p.-technical operations; Gregory T. Barnum, corporate controller; David E. Frasch, secretary.

Directors: Seymour R. Cray*, Francis X. Driscoll, Thomas A. Longo, John A. Rollwagen*, Andrew Scott*, Robert L. Swiggett, Robert F. Zicarelli, Lester T. Davis*, Marcelo A. Gumucio*, John Carlson*.

* Member of the Executive Committee.

Areas of Work: Engaged in the design, development and manufacture of large-scale, high-speed computing systems intended for scientific applications, and the marketing and maintenance of such systems.

Subsidiaries:

Cray Research GmbH
Munich, West Germany

Cray Research Japan, Limited
Tokyo, Japan

Cray Canada, Inc.
Toronto, Canada

Cray Research B.V.
The Hague, The Netherlands

Cray Research (U.K.) Ltd.
Bracknell, England

Cray Research France, S.A.
Paris, France

Cray Research A.B.
Linkoping, Sweden

Cray Research S.r.l.
Milan, Italy

Transfer Agent(s):

First Trust Company of St. Paul
First National Bank Building
St. Paul, Minnesota 55102

Manufacturers Hanover Trust Company
40 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: CYR

Number of Employees:

1984	2,203	1981	1,079
1983	1,551	1980	761
1982	1,352		

Plant Footage:

1984	461,800 sq. ft.	1982	200,000
1983	327,000	1981	195,500

Sales and Earnings

	Revenue	Net Income
1984	$ 228,752,000	$ 45,352,000
1983	169,690,000	26,071,000
1982	141,149,000	19,000,000
1981	101,642,000	18,170,000
1980	60,748,000	10,900,000

	No. of Com. Shares	Earn. per Share #
1984	14,674,000	$ 3.06
1983	14,589,000	1.77
1982	14,529,000	1.38
1981	13,661,000	1.32
1980	13,590,000	0.85

# Based on the weighed average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 220,452,000	$ 15.02
1983	172,385,000	11.82
1982	144,561,000	9.95
1981	94,951,000	6.95
1980	75,803,000	5.58

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 160,389	$ 125,008
Leased systems	37,795	26,151
Service fees	30,568	18,531
Revenues	$ 228,752	$ 169,690
Cost of sales	43,551	44,358
Cost of leased systems	17,000	12,348
Cost of services	21,443	13,071
Expenses	82,657	56,515
Interest expense	6,203	5,112
Interest income	(9,852)	(7,411)
Other expense (income)	859	(365)
Income before taxes	$ 66,891	$ 46,062
Income taxes	21,539	19,991
Net Income	$ 45,352	$ 26,071

* Included in Costs and Expenses, Depreciation and Amortization: $32,427,000 in 1984 and $23,048,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & temp. invest.	$ 53,879	$ 29,186
Market. secur.	30,028	29,051
Accts. receiv., net	22,710	60,763
*Inventories	82,730	56,411
Prepaid expenses	3,213	2,024
Current Assets	$ 192,560	$ 177,435
Long-term receivables	8,156	24,786
#Leased systems & spares	49,263	32,655
#Fixed assets	56,286	41,198
Defer. charges & other assets	23,831	2,781
Total Assets	$ 330,096	$ 278,855

Liabilities
(000's)

Long-term debt, curr.	$ 33,622	$ 3,733
Accts. payable	11,461	8,494
Accrued expenses	19,566	12,774
Income taxes	4,356	12,793
Cust. adv. pay.	6,677	10,205
Curr. Liabilities	$ 75,682	$ 47,999
Long-term debt	15,626	37,612
Deferred inc. taxes	18,336	20,859
+Common stock	14,674	14,589
Add. paid-in capital	77,097	74,353
Retained earnings	128,860	83,508
Foreign curr. trans. adj.	(179)	(65)
Total Liabilities & Shareholders' Equity	$ 330,096	$ 278,855

* At lower of cost (FIF0) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	29.24	27.14
%Net Income to Revenues	19.83	15.36
%Net Income to Equity	20.57	15.12
Working Capital	$116,878,000	$129,436,000
Current Ratio	2.54	3.70
Shareholders' Equity	$220,452,000	$172,385,000

Cross & Trecker Corporation

505 North Woodward Avenue
P.O. Box 925
Bloomfield Hills, Michigan 48013
(313) 644-4343

Officers: Russell A. Hedden, chairman of the board; Francis Trecker, vice chairman; Richard T. Lindgren, president & chief executive officer; Ralph E. Cross, chairman emeritus; Johannes A. Buiteweg, v.p.-law & secretary; John J. Hinnendael, v.p.-finance; Larry C. Helber, treasurer; Roger John Lesinski, asst. secretary.

Directors: Russell A. Hedden*, chairman; Richard T. Lindgren*, Ralph E. Cross*, Francis J. Trecker, Eugene P. Berg*, Ralph E. Cross, Jr.*, Algie A. Hendrix*, Edward C. Mabbs, Thomas F. Russell, Harold A. Strickland, Jr.

* Member of the Executive Committee.

Cross & Trecker Corporation

Areas of Work: Designs and builds special metal-cutting, assembly, and testing machines and integrated manufacturing systems. Also manufactures computer numerically-controlled machining centers and milling machines and computer-controlled multiple-machine flexible manufacturing systems. Designs and builds automated systems for the foundry and power generating industries.

Operating Units:

The Cross Company
17801 East Fourteen Mile Road
Fraser, Michigan 48026
(313) 293-3000
Manufactures special machine tools.

Cross & Trecker Credit Corporation
505 North Woodward Avenue
Bloomfield Hills, Michigan 48013
(313) 644-4343

The Warner and Swasey Company
11000 Cedar Avenue
P.O. Box 94531
Cleveland, Ohio 44101
(216) 432-4000
Machine tools and measurement systems: horizontal turning machines, turret lathes and grinding machines for cylindrical parts; sheet-metal cutting, forming and punching machines and systems; measurement and autometrology systems; linear bearings.

Machine Remarketing Corporation
4663 Dues Drive
Cincinnati, Ohio 45246
(513) 874-0015
Marketing of used and updated machinery, including appraisals, listing, storage, financing, sales and training.

Kearney & Trecker Corporation
11000 Theodore Trecker Way
Milwaukee, Wisconsin 53214
(414) 476-8300
Produces computer-controlled machine tools and multiple-machine flexible manufacturing systems.

Roberts Corporation
3001 West Main Street
Lansing, Michigan 48901
(517) 371-2460
Manufactures sand and mold handling systems, automatic pouring systems, and various support equipment for the foundry industry.

Transfer Agent(s):

First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CTCO (NASDAQ)

Number of Employees:

1984	4,400	1981	4,600
1983	2,400	1980	4,300
1982	3,000		

Plant Footage:

1984	—	1982	1,671,000
1983	1,516,000 sq. ft.	1981	1,679,500

Sales and Earnings

	Net Sales	Net Income
1984	$ 268,309,000	$ 4,053,000
1983	149,925,000	3,687,000
1982	380,641,000	38,725,000
1981	408,916,000	41,169,000
1980	355,385,000	33,397,000

	No. of Com. Shares #	Earn. per Share #
1984	12,341,000	$ 0.33
1983	12,332,000	0.30
1982	12,370,000	3.13
1981	12,388,000	3.32
1980	12,372,000	2.70

Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.80	—	—
1982	0.80	—	—
1981	0.677	—	—
1980	0.562	—	3-for-2

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 205,590,000	$ 16.65
1983	207,159,000	16.80
1982	214,567,000	17.40
1981	187,919,000	15.17
1980	155,112,000	12.52

Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 268,309	$ 149,925
Cost of sales	207,635	114,705
Expenses	61,169	37,620
Other income	(8,271)	(8,329)
Interest expense	2,185	1,692
Income before taxes	$ 5,591	$ 4,237
Income taxes	1,538	550
Net Income	$ 4,053	$ 3,687

* Included in Costs and Expenses, Depreciation: $10,373,000 in 1984 and $8,503,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & short-term invest.	$ 17,928	$ 92,130
Trade receiv.	123,508	60,106
Income taxes	13,960	—
*Inventories	103,567	58,367
Prepaid expenses	6,129	1,463
Current Assets	$ 265,092	$ 212,066
#Fixed assets	81,841	67,573
Other assets	18,850	4,129
Toal Assets	$ 365,783	$ 283,768

Liabilities

	1984	1983
Short-term debt	$ 7,457	$ 2,612
Long-term debt, curr.	690	426
Accts. payable	40,593	6,744
Advance payments	726	249
Accruals	62,771	21,704
Income taxes	22,972	26,350
Curr. Liabilities	$ 135,209	$ 58,085
Long-term debt	12,452	12,317
Deferred income	7,667	4,704
Deferred taxes	4,865	1,503
+ Common stock	12,440	12,418
Add. paid-in capital	23,443	16,057
Retained earnings	176,493	182,299
Cumulative translation adjustment	(5,373)	(2,382)
Treasury stock	(1,413)	(1,233)
Total Liabilities & Shareholders' Equity	$ 365,783	$ 283,768

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.08	2.82
%Net Income to Sales	1.51	2.45
%Net Income to Equity	1.97	1.77
Sales to Inventories	2.59	2.56
Working Capital	$129,883,000	$153,981,000
Current Ratio	1.96	3.65
Shareholders' Equity	$205,590,000	$207,159,000

CTS Corporation

905 N. West Boulevard
Elkhart, Indiana 46514
(219) 293-7511

Officers: Joseph DiGirolamo, chairman of the board & chief operating officer; Robert D. Hostetler, president & chief executive officer; Gary B. Erekson, v.p. & chief financial officer; Charles C. Smith, John P. Colglazier, corporate vice presidents; Wayne A. Barden, v.p.-corporate engineering & development; Robert A. Stackhouse, v.p.-corporate marketing; Duane H. Daering, v.p.-human resources; Wayne A. Beaverson, v.p.-corporate development; Kenneth E. Selzer, v.p.-sales; Willie P. Ozbirn, v.p.-research and development; David K. Sentman, treasurer; William D. Baker, controller; Jeannine M. Davis, secretary & asst. general counsel; Thomas C. Eggebeen, James E. Hayes, asst. controllers.

Directors: Joseph DiGirolamo*, chairman of the board; Robert D. Hostetler*, Gary B. Erekson*, John C. Hancock, Gerald H. Frieling*, Don J. Kacek, George F. Sommer, Richard M. Ringoen*, Ted L. Ross.

* Member of the Executive Committee.

Areas of Work: Manufactures floppy disk drives for recording and retrieving digital information. Also manufactures electronic components for consumer, industrial and military electronic equipment. Products include variable resistors (potentiometers and trimmers), cermet microelectronic products (resistor and/or capacitor networks, hybrid circuits and variable resistors), loudspeakers, quartz crystal products (quartz crystals, filters, oscillators and crystal component ovens), injection molded plastic products, solid state rectifiers, selector switches, tools and dies, and automation machinery, tire rasps, and custom display fixtures.

Subsidiaries:

CTS of Elkhart Inc.
1142 West Beardsley Avenue
Elkhart, Indiana 46514
(219) 523-0210

CTS of Berne, Inc.
406 Parr Road
Berne, Indiana 46711
(219) 589-3111

CTS of Asheville, Inc.
Mills Gap Road
Skyland, North Carolina 28776
(704) 684-6451

CTS Microelectronics, Inc.
1201 Cumberland Avenue
West Lafayette, Indiana 47906
(317) 463-2565

CTS Halex Division
Irvine, California

CTS Knights, Inc.
400 Reimann Avenue
Sandwich, Illinois 60548
(815) 786-8411

CTS Tool, Die & Machine, Inc.
3000 Engle Road
Fort Wayne, Indiana 46809
(219) 747-0531

CTS of Brownsville, Inc.
1100 Roosevelt Street
Brownsville, Texas 78520
(512) 546-5184

CTS of Canada, Ltd
80 Thomas Street
Streetsville, Ontario, Canada
(416) 826-1141

CTS Components Taiwan, Ltd
Central 6th Road (Chung Liu Road)
P.O. Box 26020
Kaohsiung, Taiwan

CTS Singapore Pte., Ltd
Republic of Singapore

CTS of Bentonville
1300 S.E. 8th Street
Bentonville, Arkansas 72712

Systems Division
Eden Prairie, Minnesota

Middlebury Division
Middlebury, Indiana

Monon Division
Monon, Indiana

Circuits Division
Mountain View, Santa Clara, California
Baldwin, Wisconsin

Connector Division
New Hope, Minnesota

Paso Robles Division
Paso Robles, California

San Jose Division
San Jose, California

Fabri-Tek Computer Components
Blantyre, Scotland, United Kingdom

Fabri-Tek H.K. Limited
Kowloon, Hong Kong

Transfer Agent(s):

Midwest Commerce Banking Company
Elkhart, Indiana 46515

The Chase Manhattan Bank, N.A.
One Chase Manhattan Plaza
New York, New York 10081

Stock Exchange(s): New York

Ticker Symbol: CTS

Number of Employees:

1984	8,172	1981	6,826
1983	7,001	1980	7,053
1982	6,825		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 327,208,000	$ (2,582,000)
1983	238,511,000	9,145,000
1982	223,388,000	9,368,000
1981*	209,572,000	13,352,000
1980	187,977,000	9,563,0000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,747,747	$ —
1983	5,667,342	1.61
1982	5,256,320	1.78
1981*	5,185,163	2.58
1980	4,849,620	1.97

(Loss)
* 53 weeks.
+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Electronic operations	$ 268,564,000	$ 207,488,000
Metal products	58,644,000	31,023,000
Total	$ 327,208,000	$ 238,511,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	1.00	—	—
1982	1.00	—	—
1981	0.975	—	—
1980	0.825	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 135,219,000	$ 23.52
1983	143,947,000	25.05
1982	128,383,000	23.68
1981	121,955,000	23.21
1980	108,190,000	22.41

‡ Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 327,208	$ 238,511
Cost of sales	241,928	185,481
Expenses	38,389	31,266
Interest expense	2,581	1,576
Other expense (income)	588	(367)
Income before taxes	$ 43,722	$ 20,555
Income taxes	18,700	8,746
Inc. - cont. oper.	$ 25,022	$ 11,809
Loss - discont oper.	(27,604)	(2,664)
Net Income (Loss)	$ (2,582)	$ 9,145

* Included in Costs and Expenses, Depreciation and Amortization: $12,596,000 in 1984 and $11,293,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cert. of deposit	$ 11,409	$ 9,751
Accts. receiv., net	38,099	31,868
Recov. inc. taxes	9,161	—
Def. inc. taxes	4,567	2,449
*Inventories	67,424	51,435
Other curr. assets	2,313	3,372
Assets of discont. oper.	12,185	45,486
Current Assets	$ 145,158	$ 144,361
#Fixed assets	56,283	41,357
Other assets	23,793	35,870
Total Assets	$ 225,234	$ 221,588

Liabilities
(000's)

	1984	1983
Notes payable	$ 13,900	$ 34,850
Long-term debt, curr.	2,002	839
Accts. payable	17,580	18,254
Accruals	7,312	6,225
Accrued payroll	10,257	9,744
Accrued discont. exp.	8,566	—
Dividends payable	1,441	1,442
Income taxes	—	926
Curr. Liabilities	$ 61,058	$ 72,280
Long-term debt	26,264	3,563
Deferred inc. taxes	2,693	1,798
+Common stock	35,471	35,524
Retained earnings	102,202	110,532
Cum. for. curr. trans.	(524)	(52)
Treasury stock	(1,930)	(2,057)
Total Liabilities & Shareholders' Equity	$ 225,234	$ 221,588

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	—	6.35
Sales to Inventories	4.85	4.64
Working Capital	$ 84,100,000	$ 72,081,000
Current Ratio	2.38	2.00
Shareholders' Equity	$135,219,000	$143,947,000

Cubic Corporation

9333 Balboa Avenue
P.O. Box 85587
San Diego, California 92138
(619) 277-6780

Officers: Walter J. Zable, president, chief exec. officer and chairman of the board; Walter C. Zable, vice chairman; William Bruner, v.p.-legal, secretary & general counsel; Colvin C. Wellborn, sr. v.p.; Louis G. Dameson, Jr. v.p.-corp. planning; James B. Jenkins, v.p.-contracts; Marlyn L. Hicks, v.p.-corporate; Raymond L. deKozan, v.p.-marketing; William J. Thompson, v.p.-development planning; Thomas A. Baz, v.p. & corp. controller; William C. Stewart, Jr., v.p., asst. secretary & asst. general counsel; George Eaton, v.p.-gen. mgr.-Cubic Defense Systems; William Boyle, v.p.-finance & treasurer.

Directors: Walter J. Zable, chairman, Thomas Moran, Jackson D. Arnold, Walter C. Zable, Malin Burnham, William P. Elser, William J. Kelly.

Areas of Work: Simulation and training systems, navigational systems, surveying equipment, elevators, automated fare collection systems, oil exploration equipment, welding supplies, gases, safety equipment, power-tools. Radio communications equipment, electronic medical equipment, computer service bureau and micrographics.

Divisions and Subsidiaries:

Defense Systems Division
9333 Balboa Avenue
San Diego, California 92123
(619) 277-6780

Cubic Communications
305 Airport Road
Oceanside, California 92054
(619) 757-7525

Cubic Data Systems
8248 Ronson Road
San Diego, California 92111
(619) 560-7066

Cubic Far East Ltd.
Room 1804, Star House
3 Salisbury Road
Tsimshatsui, Kowloon, Hong Kong

G.S. Parsons Companies
9010 Clairemont Mesa Boulevard
San Diego, California 92123
(619) 279-8200

U.S. Elevator
10728 U.S. Elevator Road
Spring Valley, California 92078
(619) 460-1000

Consolidated Cover Company
2601 Workman Mill Road
Whittier, California 90601
(213) 692-9421

Cubic Western Data
5650 Kearny Mesa Road
San Diego, California 92111
(619) 268-3100

Cubic Precision
1308 South Washington Street
Tullahoma, Tennessee 37388
(615) 455-8524

Associate(s):

Westinghouse Cubic Ltd.
First Floor 15/17 Long Acre
London WC2E 9LH England

Cubic Corporation

Transfer Agent(s):

Union Bank
Los Angeles, California

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: CUB

Sales and Earnings

	Net Sales	Net Income
1984	$ 275,097,000	$ 14,018,000
1983	273,244,000	17,341,000
1982	293,610,000	16,222,000
1981	228,243,662	11,028,630
1980	196,386,441	8,151,019

	No. of Com. Shares #	Earn. per Share #
1984	7,926,000	$ 1.77
1983	7,926,000	2.19
1982	7,926,000	2.05
1981	7,918,000	1.39
1980	7,904,000	1.03

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenue By Line of Business

	1984 (000's)	%	1983 (000's)	%
Electronic defense systems	$125,857	46%	$122,243	45%
Elevator products	86,678	32	91,165	33
Other	62,562	22	59,836	22
Total	$275,097	100%	$273,244	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.39	—	—
1983	0.36	—	—
1982	0.33	—	2-for-1
1981	0.24	—	4-for-3
1980	0.23	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 101,730,000	$ 12.83
1983	90,861,000	11.46
1982	75,873,000	9.57
1981	62,209,520	7.85
1980	53,010,740	6.72

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 275,097,000	$ 273,244,000
Interest income	4,966,000	2,963,000
Other income	291,000	229,000
Total income	$ 280,354,000	$ 276,436,000
Cost of sales	201,424,000	194,825,000
Expenses	49,793,000	45,252,000
Interest expense	2,988,000	2,841,000
Write-down of market secur.	—	2,489,000
Income before taxes	$ 26,149,000	$ 31,029,000
Income taxes	12,131,000	13,688,000
Net Income	$ 14,018,000	$ 17,341,000

* Included in Costs and Expenses, Depreciation and Amortization: $6,244,000 in 1984 and $5,856,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 36,285,000	$ 26,391,000
Marketable securities	3,188,000	4,177,000
Accts. receiv., net	78,406,000	75,703,000
*Inventories & costs of contracts	18,657,000	17,237,000
Recov. income taxes	6,402,000	—
Prepaid expenses	11,188,000	6,381,000
Current Assets	$ 154,126,000	$ 129,889,000
#Fixed assets	34,631,000	32,035,000
Other assets	11,013,000	15,123,000
Total Assets	$ 199,770,000	$ 177,047,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 3,212,000	$ 2,509,000
Accts. payable	14,152,000	12,259,000
Accrued payroll	7,599,000	7,227,000
Income taxes	—	2,198,000
Deferred inc. taxes	18,643,000	16,056,000
Other liab.	16,084,000	9,396,000
Curr. Liabilities	$ 59,690,000	$ 49,645,000
Long-term debt	27,432,000	25,452,000
Deferred inc. taxes	9,270,000	9,833,000
Deferred comp	1,648,000	1,256,000
+ Common stock	234,000	234,000
Add. paid-in capital	12,123,000	12,123,000
Retained earnings	89,373,000	78,504,000
Total Liabilities & Shareholders' Equity	$ 199,770,000	$ 177,047,000

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	9.51	11.36
%Net Income to Sales	5.10	6.35
%Net Income to Equity	13.78	19.09
Working Capital	$ 94,436,000	$80,244,000
Current Ratio	2.58	2.62
Shareholders' Equity	$101,730,000	$90,861,000

Curtiss-Wright Corporation

One Passaic Street
Wood-Ridge, New Jersey 07075
(201) 777-2900

Officers: T. Roland Berner, chairman and president; Charles E. Ehinger, Richard P. Sprigle, executive v.p.'s; David Lasky, sr. v.p. and general counsel; Morris A. Crausman, Arnold F. Kossar, Gerald Nachman, John J. Rooney, v.p.'s; Francis E. Fallon, secretary; Martin A. Sherry, treasurer; John F. Staubach, controller.

Directors: T. Roland Berner, chairman; S.D. Brinsfield, John S. Bull, John B. Morris, William F. Raborn, Jr., Jesse Werner, Edward E. White, Richard Dicker.

Areas of Work: Produces and markets precision components and systems, and provides highly engineered services to three broad areas of business activity: Aerospace, Flow Control and Marine, and Industrial.

Subsidiaries:

Curtiss-Wright/Marquette, Inc.
400 South Main Street
Fountain Inn, South Carolina 29644

Metal Improvement Company
10 Forest Avenue
Paramus, New Jersey 07652

Target Rock Corporation
1966 East Broadhollow Road
East Farmingdale, New York 11735

Canadian Curtiss-Wright, Ltd. (68.7% owned)
1815 Sismet Road
Mississauga, Ontario L4W 1P9
Canada

Curtiss-Wright Flight Systems, Inc.
300 Fairfield Road
Fairfield, New Jersey 07006

Buffalo Facility
60 Grider Street
Buffalo, New York 14215

Transfer Agent(s):

Manufacturers Hanover Trust Co.
450 W. 33rd Street
New York, New York 10001

Commercial Trust Company of New Jersey
15 Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: CW

Sales and Earnings

	Net Sales	Net Income
1984	$ 144,369,000	$ 1,886,000
1983	180,417,000	18,503,000
1982	185,582,000	20,805,000
1981	194,929,000	85,308,000
1980	185,539,000	39,746,000

	No. of Com. Shares †	Earn. per Share †
1984	4,836,000	$ 0.39
1983	4,826,000	3.83
1982	4,814,000	4.32
1981	4,738,000	17.99
1980	8,270,000	4.75

† Based on the weighted average number of common shares outstanding during each year.

Revenues By Line of Business
(000's)

	1984	1983
Industrial prods.	$ 30,000	$ 43,800
Flow control & marine	55,000	63,300
Aerospace	59,400	73,700
Total	$ 144,400	$ 180,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.20	—	—
1983	1.20	—	—
1982	1.10	—	—
1981	1.00	—	—
1980	0.95	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 148,169,000	$ 30.64
1983	231,105,000	47.89
1982	218,209,000	45.33
1981	203,063,000	42.86
1980	280,839,000‡	33.96

‡ After allowing for Class A Stock at stated value.
† Based on the weighted average number of common shares outstanding during each year.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 144,369	$ 180,417
Gain on sale of real est. & equip.	8,840	5,475
Interest & div. inc.	5,625	9,683
Other income	2,902	3,389
Total revenues	$ 161,736	$ 198,964

Cost of sales & expenses:		
Prod. & eng.	97,195	132,373
Sell. & serv.	7,319	6,173
Adm. & gen.	29,152	27,841
Interest	4,688	3,714
Write-down of invest. in Western Union	11,500	—
Income before taxes	$ 11,882	$ 28,863
Income taxes	9,996	10,360
Net Income	$ 1,886	$ 18,503

* Included in Costs and Expenses. Depreciation: $6,657,000 in 1984 and $5,834,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 11,461	$ 757
Marketable securities	46,036	24,204
Accts. receiv., net	21,451	28,273
Unbilled charges	8,039	11,904
*Inventories	22,811	28,299
Other curr. assets	4,520	5,932
Current Assets	$ 114,318	$ 99,369
Invest. in Western Union	38,691	133,347
Invest. in assoc.cos.	3,127	2,889
#Fixed assets	74,561	72,420
Other assets	19,058	27,866
Total Assets	$ 249,755	$ 335,891

Liabilities
(000's)

Accts. payable	$ 5,933	$ 6,100
Accrued comp.	3,236	3,318
Accruals	11,637	14,545
Income taxes	2,868	3,854
Def. inc. taxes	7,182	4,631
Other curr. liab.	9,176	10,160
Curr. Liabilities	$ 40,032	$ 42,608
Long-term debt	51,149	53,641
Deferred inc. taxes	8,339	6,463
Minority int. in subsid.	2,066	2,074
+Common stock	10,000	10,000
Add. paid in capital	56,508	56,618
Retained earnings	355,393	359,310
Unreal. deprec. on invest.	(78,513)	—
Eq. adjust. from for. curr. trans.	(3,119)	(2,110)
Treasury stock	(192,100)	(192,713)
Total Liabilities & Shareholders' Equity	$ 249,755	$ 335,891

* At lower of cost (average) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	7.35	14.51
%Net Income to Revenues	1.17	9.30
%Net Income to Equity	1.27	8.01
Working Capital	$ 74,286,000	$ 56,761,000
Current Ratio	2.86	2.33
Shareholders' Equity	$148,169,000	$231,105,000

Cushman Electronics, Inc.

4500 Campus Drive, Suite 235
Newport Beach, California 92660
(714) 756-8171

Officers: John F. Bishop, chairman of the board; Mark K. Howlett, vice chairman of the board; Raymond V. White, president; Paul S. Daniel, asst. secretary & chief financial officer; Hugh R. McDonald, secretary & treasurer.

Directors: John F. Bishop, chairman of the board; J. Bradford Bishop, Burgess Dempster, Mark K. Howlett, Robert D. Johnson, Joseph Stemler.

Areas of Work: Manufactures FM two-way radio test and maintenance equipment, telephone test instruments, and telephone transmission equipment.

Subsidiaries:

Cushman Electronics
International Sales Corp.

Transfer Agent(s):

First Interstate Bank
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CUSH (NASDAQ)

Number of Employees:

1984	169	1981	342
1983	200	1980	290
1982	242		

Plant Footage:

1984	43,300 sq. ft.	1983	43,300

Sales and Earnings

	Net Sales	Net Income
1984	$ 10,353,000	$ 366,000
1983	14,047,000	74,000
1982	17,856,000	(445,000)
1981	19,401,000	753,000
1980	16,021,000	585,000

	No. of Com. Shares	Earn. per Share †
1984	1,043,000	$ 0.35
1983	1,013,000	0.07
1982	1,068,000	—
1981	1,069,000	0.70
1980	1,069,000	0.55

(Loss)
† Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.12	—	—
1983	0.12	—	—
1982	0.12	—	—
1981	0.10	—	—
1980	0.08	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 4,294,000	$ 4.12
1983	3,852,000	3.80
1982	4,246,000	3.98
1981	4,829,000	4.52
1980	4,183,000	3.91

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 10,353,000	$ 14,047,000
Cost of sales	6,528,000	7,604,000
Expenses	5,327,000	6,084,000
Interest expense	276,000	202,000
Gain on exch. of lease	(2,374,000)	—
Income before taxes	$ 596,000	$ 157,000
Income taxes	230,000	83,000
Net Income	$ 366,000	$ 74,000

* Included in Costs and Expenses. Depreciation and Amortization: $246,000 in 1984 and $312,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 136,000	$ 146,000
Accts. receiv., net	1,642,000	2,211,000
*Inventories	2,455,000	3,081,000
Prepaid expenses	46,000	160,000
Prepaid income taxes	210,000	151,000
Current Assets	$ 4,489,000	$ 5,749,000
Notes receivable	164,000	29,000
#Fixed assets	5,247,000	1,118,000
Other assets	109,000	197,000
Total Assets	$ 10,009,000	$ 7,093,000

Liabilities

Long-term debt, curr.	$ 232,000	$ 300,000
Short-term debt	250,000	679,000
Accts. payable	609,000	546,000
Accruals	852,000	1,221,000
Curr. Liabilities	$ 1,943,000	$ 2,746,000
Long-term debt	2,893,000	225,000
Deferred income taxes	879,000	270,000
+Common stock	1,312,000	1,112,000
Retained earnings	2,982,000	2,740,000
Total Liabilities & Shareholders' Equity	$ 10,009,000	$ 7,093,000

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.76	1.12
%Net Income to Sales	3.54	0.53
%Net Income to Equity	8.52	1.92
Sales to Inventories	4..22	4.56
Working Capital	$2,546,000	$3,003,000
Current Ratio	2.31	2.09
Shareholders' Equity	$4,294,000	$3,852,000

The Cyclotron Corporation

950 Gilman Street
Berkeley,California 94710
(415) 524-8670

Note: As of Feb. 28, 1985 there were no Directors and Officers. Their functions having been assumed by the Bankruptcy Court through its trustee.

Areas of Work: Manufactures and sells nuclear particle accelerators which provide beams of charged particles for use in nuclear medicine, neutron radiotheraphy, physics research, and nuclear chemistry. Also manufactures positron imaging devices for medical diagnosis and research, and a neutron generator system for radiotherapy.

Transfer Agent(s):

Bank of America NT & SA
World Headquarters Building
555 California Street
San Francisco, California 94111

Stock Exchange(s): Over-the-Counter

Ticker Symbol: CYCCQ (NASDAQ)

Number of Employees:

1984	2	1981	180
1983	N.A.	1980	165
1982	N.A.		

Plant Footage:

1984	N.A.	1981	58,000 sq. ft.
1983	N.A.	1980	58,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings*

	Net Sales +	Net Income
1984	$ 1,094,894	$ (866,794)
1983	3,185,195	(1,209,499)
1982	(2,221,126)	(13,802,562)
1981	3,784,356	(4,984,814)
1980	10,097,080	856,716

The Cyclotron Corporation

	No. of Com. Shares	Earn per Share ‡
1984	1,457,612	$ —
1983	1,457,612	—
1982	1,457,612	—
1981	1,457,612	—
1980	1,170,062	0.72

(Loss)
* Unaudited.
‡ Based on the weighted average number of common shares outstanding.
+ Including contract revenues; net contract revenue cancellations.

Common Stock Equity*

	Total Equity	Equity Per Share ‡
1984	$ (12,409,961)	$ —
1983	(11,543,167)	—
1982	(10,333,668)	—
1981	3,468,894	2.38
1980	4,611,620	3.94

* Unaudited.
(Deficiency)

Income Account *

Year ended Dec. 31	1984	1983
Net sales & contract revenues	$ 1,094,894	$ 3,473,526
Prov. for contract adjust. & cancel.	—	(288,331)
Net contract revenues	$ 1,094,894	$ 3,185,195
Cost of sales & contract revenues	1,160,263	2,635,192
Expenses	275,005	904,505
Interest expense	526,420	499,868
Research & develop.	—	30,129
Write-down of invent.	—	325,000
Net Loss	$ (866,794)	$ (1,209,499)

* Included in Costs and Expenses, Depreciation: $125,856 in 1984 and $202,676 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 26,501	$ 36,601
Temp. cash invest.	—	169,016
Accts. receiv., net	133,332	270,789
*Contracts & inventories	701,820	1,002,357
Prepaid expenses	28,952	48,336
Current Assets	$ 890,605	$ 1,527,099
#Fixed assets	2,162,518	2,365,735
Other assets	42,930	43,789
Total Assets	$ 3,096,053	$ 3,936,623

Liabilities

	1984	1983
Advance by trustee	$ 243,437	$ —
Accts. payable	118,268	110,440
Notes payable	10,333	14,322
Accrued compensation	46,377	141,190
Accruals	491,143	312,985
Billing in excess of costs	272,795	1,065,883
Secured notes pay.	2,595,094	2,750,000
Secured int. accrual	239,619	53,353
Long-term debt, curr.	5,000	40,442
Joint venture commit.	176,494	—
Pre-Chap. XI liab.	11,022,143	10,701,891
Curr. Liabilities	$ 15,220,703	$ 15,190,506
Long-term debt	242,817	246,790
Deferred inc. taxes	42,494	42,494
+Common stock	1,373,006	1,373,006
Add paid-in capital	4,110,987	4,110,987
Accum. deficit	(17,893,954)	(17,027,160)
Total Liabilities & Shareholders' Equity	$ 3,096,053	$ 3,936,623

* At lower of cost or market.
# Less accumulated depreciation.
+ No par value.

Daedalus Enterprises, Inc.

P.O. Box 1869
Ann Arbor, Michigan 48106
(313) 769-5649

Officers: Alan K. Parker, president and chief exec. officer; Thomas R. Ory, v.p.-marketing; Sarah J. White, treasurer & chief financial officer; Thomas Casoglos, secretary.

Directors: Paul R. Trigg, Jr., chairman; Alan K. Parker, Hansford W. Farris, Thomas Casoglos, Eugene B. Power, John F. Towson, John O. Sanders, Wayne E. Avis.

Areas of Work: Manufactures remote sensing devices. The principal products are scanner systems which are installed in aircraft for acquisition of remote sensing data. This data is subsequently processed on the ground by the company's data handling equipment. The information derived from the airborne sensor and processed by the ground stations is used for monitoring and measuring water pollution; for oil, mineral and geothermal exploration; for heat budget and energy loss studies; and for the evaluation of other environmental quality related problems.

Transfer Agent(s):

Michigan National Bank
Grand Rapids, Michigan

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 2,047,005	$ (365,358)
1983	2,702,249	121,929
1982	2,535,969	(21,975)
1981	2,761,964	46,882
1980	1,646,182	(64,744)

	No. of Com. Shares	Earn. Per Share ‡
1984	509,109	$ —
1983	507,209	0.24
1982	507,209	—
1981	507,209	0.09
1980	506,984	—

(Loss)
‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	0.08	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,654,672	$ 3.25
1983	2,014,463	3.97
1982	1,892,534	3.73
1981	1,914,509	3.77
1980	1,867,120	3.68

Income Account *

Year ended July 31	1984	1983
Net sales	$ 2,047,005	$ 2,702,249
Interest income	87,652	32,136
Total income	$ 2,134,657	$ 2,734,385
Cost of sales	1,219,304	1,472,188
Expenses	1,243,334	1,013,563
Interest expense	132,377	141,705
Income (loss) before taxes	$ (460,358)	$ 106,929
Income tax credit	(95,000)	(15,000)
Net Income (Loss)	$ (365,358)	$ 121,929

* Included in Costs and Expenses, Depreciation: $113,491 in 1984 and $96,052 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 58,497	$ 618,764
Accts. receiv., net	112,832	52,698
Unbilled accts. receiv.	351,335	179,574
*Inventories	1,079,926	1,165,100
Other current assets	14,316	40,726
Current Assets	$ 1,616,906	$ 2,056,862
#Fixed assets	1,570,608	1,580,419
Other assets	25,038	11,134
Total Assets	$ 3,212,552	$ 3,648,415

Liabilities

	1984	1983
Note payable	$ 185,000	$ —
Long-term debt, curr.	11,700	12,500
Accts. payable	106,180	260,897
Accruals	35,066	68,799
Accrued payroll	197,189	194,750
Income taxes	15,741	82,191
Deferred income taxes	—	35,000
Curr. Liabilities	$ 550,876	$ 654,137
Long-term debt	958,004	939,815
Deferred income taxes	49,000	40,000
+Common stock	5,091	5,072
Add. paid-in capital	868,979	863,431
Retained earnings	780,602	1,145,960
Total Liabilities & Shareholders' Equity	$ 3,212,552	$ 3,648,415

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	3.96
%Net Income to Sales	—	4.51
%Net Income to Equity	—	6.05
Sales to Inventories	1.90	2.32
Working Capital	$1,066,030	$1,402,725
Current Ratio	2.94	3.14
Shareholders' Equity	$1,654,672	$2,014,463

Dale Electronics, Inc.

(82% owned by The Lionel Corporation)

P.O. Box 609
2064 12th Avenue
Columbus, Nebraska 68601
(402) 563-6221

Officers: Carroll Novicki, president & chief executive officer; Kenneth W. Moersen, v.p.-finance, treasurer & chief financial officer; James J. Holmberg, v.p.-legal & secretary; Charles N. Stinson, William L. Gaines, Floyd E. Mason, division v.p.'s; Robert E. Emerson, controller & chief accounting officer.

Directors: Leo P. Arnaboldi Jr., Kenneth W. Moersen, Carol L. Novicki, Eugene P. Bernardi, Arthur F. McGinness, Jr., Stanley Gewirtz, Wilbur L. Ross, Jr., Robert S. Ruwitch, Donald R. Anselmi, George A. Padgett, Ronald D. Saypol, Michael J. Vastola.

* Member of the Executive Committee.

Areas of Work: Manufactures resistive components, microcircuits, inductors, oscillators, transformers, connectors, magnetic components thermistors, surge arrestors and custom products for military, industrial and commercial applications.

Subsidiaries:

Dale Electronics Ltd.
Dale Electronics International, Inc.
Dale Electronics GmbH
Electronica Dale de Mexico S.A. de C.V.

Transfer Agent(s):

First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07303

Stock Exchange(s): American

Ticker Symbol: DLE

Number of Employees:

1984	3.899	1982	2.661
1983	3.276		

Sales and Earnings

	Net Sales	Net Income
1984	$ 129.041.548	$ 11.505.558
1983	96.081.185	8.002.810
1982	83.708.275	3.491.483
1981	77.422.539	4.653.994
1980	75.025.279	4.580.962

	No. of Com Shares	Earn. per Share #
1984	3.600.000	$ 3.20
1983	3.600.000	2.22
1982	3.600.000	0.97
1981	3.600.000	1.29
1980	3.600.000	1.27

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.32	—	—
1982	0.32	—	—
1981	0.08	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 44.147.180	$ 12.26
1983	33.793.622	9.39
1982	26.942.812	7.48
1981	3.495.704‡	0.97
1980	36.523.765	10.15

‡ After allowing for preferred stock at liquidation value.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 129.041.548	$ 96.081.185
Cost of sales	87.834.279	67.205.895
Expenses	19.306.041	14.580.708
Interest expense	1.638.618	1.757.789
Income before taxes	$ 20.262.610	$ 12.536.793
Income taxes	8.757.052	4.533.983
Net Income	$ 11.505.558	$ 8.002.810

* Included in Costs and Expenses, Depreciation and Amortization: $4.497.468 in 1984 and $3.651.052 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 4.735.096	$ 5.896.202
Receiv., net	16.629.036	14.809.101
*Inventories	22.884.231	17.489.920
Prepaid expenses	610.405	410.225
Current Assets	$ 44.858.768	$ 38.605.448
#Fixed assets	30.976.951	25.320.580
Construc. funds held in trust	—	457.723
Other assets	1.742.878	1.278.831
Total Assets	$ 77.578.597	$ 65.662.582

Liabilities

Long-term debt, curr.	$ 2.193.800	$ 1.798.644
Accts. payable	4.000.407	3.729.557
Accruals	1.616.667	1.747.820
Accrued payroll	3.914.021	2.356.601
Income & other taxes	2.158.917	1.763.259
Due to Lionel	1.785.076	1.547.332
Curr. Liabilities	$ 15.668.888	$ 12.943.213
Long-term debt	9.520.892	11.027.664
Oblig. under cap. leases	5.205.000	5.495.000
Deferred inc. taxes	2.625.637	2.066.083
Other deferred liab.	411.000	337.000
+ Common stock	360.000	360.000
Add. paid-in capital	21.477.855	21.477.855
Retained earnings	22.309.325	11.955.767
Total Liabilities & Shareholders' Equity	$ 77.578.597	$ 65.662.582

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.70	13.05
%Net Income to Sales	8.92	8.33
%Net Income to Equity	26.06	23.68
Sales to Inventories	5.64	5.49
Working Capital	$29.189.880	$25.662.235
Current Ratio	2.86	2.98
Shareholders' Equity	$44.147.180	$33.793.622

Damon Corporation

115 Fourth Avenue
Needham Heights, Massachusetts 02194
(617) 449-0800

Officers: David I. Kosowsky, chairman and chief executive officer; Robert P. Schneider, president and chief operating officer; Allan B. Beitchman, sr. v.p. & chief financial officer; Marcia Kean, Daniel R. Cotte, D. Joseph Powell, Norman Curtis, Leonard Fuhrer, Joseph C. Isosla, Richard T. Theken, v.p.'s; Jay H. Meltzer, v.p., gen. counsel and secretary; Vernon F. Sherman, v.p.-finance & treasurer; David Steele, v.p. & controller; Constantine Alexander, secretary.

Directors: David I. Kosowsky, Allan B. Beitchman, Peter A. Brooke, Charles C. Cunningham, Jr., Charles L. Lea, Jr., Robert P. Schneider, W. Gerald Austen.

Areas of Work: Through its International Equipment Company subsidiary, the company is engaged in the production of micro-processor-controlled laboratory centrifuges, microtome cyrostats and centrifuge accessories. These products are primarily used in the fields of biomedical research and testing. The electronics division manufactures crystal filters and high quality crystal oscillators for radar missile systems, radar fire control systems and navigation and communications equipment.

Electronics Divisions:

Damon Electronics Division
80 Wilson Way
Westwood, Massachusetts 02090

IEC Division

Damon-International Equipment Co.
300 Second Avenue
Needham Heights, Massachusetts 02194

Transfer Agent(s):

The First National Bank of Boston
One Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, London

Ticker Symbol: DMN

Number of Employees:

1984 . . . . . . 2.700

Plant Footage:

1984 . . . . . . 174.600 sq. ft.

Sales and Earnings

	Net Sales ‡ +	Net Income †
1984	$ 127.395.000	$ 2.762.000
1983	117.937.000	2.401.000
1982	126.549.000	(12.411.000)
1981	126.194.000	193.000
1980	118.587.000	2.554.000

	No. of Com. Shares #	Earn. Per Share †#
1984	6.694.000	$ 0.41
1983	6.661.000	0.36
1982	6.576.000	—
1981	6.505.000	0.03
1980	6.463.000	0.40

(Loss)
‡ Includes sales of services and products.
+ Of continuing operations only.
# Based on the weighted average number of common shares outstanding.
† Including extraordinary income of $550.000 ($0.08 per share) in 1984, $1.070.000 ($0.16 per share) in 1983 and $211.609 ($0.03 per share) in 1980.

Revenues By Line of Business
(000's)

	1984	1983
Medical services	$ 75.233	$ 69.667
Medical instrumentation	26.951	26.239
Hobby & educational products	22.824	19.601
Damon Biotech, Inc.	2.387	2.430
Total	$ 127.395	$ 117.937

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.20	—	—
1982	0.20	—	—
1981	0.20	—	—
1980	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 62.697.000	$ 9.40
1983	62.047.000	9.25
1982	39.273.000	5.97
1981	53.516.000	8.15
1980	54.216.000	8.40

Income Account *

Year ended Aug. 31	1984	1983
Net sales of serv. & prods.	$ 127.395.354	$ 117.937.424
Cost of sales	89.867.016	74.598.638
Expenses	38.219.528	34.702.466
Prov. for doubtful accts.	3.058.971	2.225.931
Res. & develop. exp.	5.702.998	3.792.662
Interest exp. (income)	(1.866.010)	1.280.633
Income before taxes	$ 1.412.851	$ 1.337.094
Income taxes	412.000	731.000
Minority interest	(606.545)	1.973
Income -cont. oper.	$ 1.607.396	$ 604.121
Income - discont. oper.	604.328	727.000
Net Income	$ 2.211.724	$ 1.331.121
Extraodinary gain	549.898	1.070.000
Net Income & extraord. gain	$ 2.761.622	$ 2.401.121

* Included in Costs and Expenses, Depreciation and Amortization: $4.998.056 in 1984 and $4.692.761 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 4.397.682	$ 5.792.383
Marketable securities	38.069.298	49.630.568
Accts. receiv., net	26.052.748	23.237.645
*Inventories	17.402.448	17.100.523
Prepaid expenses	644.666	832.027
Current Assets	$ 86.566.842	$ 96.593.146
#Fixed assets	33.257.658	26.787.165

Damon Corporation

Other assets	2.974.363	3.453.882
Intangibles	8.205.261	5.016.822
Total Assets	$ 131.004.124	$ 131.851.015

Liabilities

Notes payable & long-term debt, curr.	$ 3.409.985	$ 1.472.323
Accts. payable	4.425.163	5.936.299
Accruals	10.381.114	10.735.606
Dividends payable	334.035	335.450
Income taxes	1.523.352	747.656
Curr. Liabilities	$ 20.073.649	$ 19.227.334
Mortg. & notes payable	18.368.642	15.126.480
Conv. subord. .5¼% deben.	12.170.000	16.153.000
Long-term debt	2.158.350	3.145.947
Deferred inc. taxes	7.100.000	7.412.000
Minority interest	8.436.387	8.739.435
+ Common stock	1.666.995	1.677.250
+ Junior common stock	31.044	—
Add. paid-in capital	33.350.754	33.806.728
Retained earnings	29.194.458	27.773.726
Note receiv. from sale of stock	(335.270)	—
For. curr. trans. adj.	(1.210.885)	(1.210.885)
Total Liabilities & Shareholders' Equity	$ 131.004.124	$ 131.851.015

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	3.53	2.15
Working Capital	$66.493.193	$77.365.812
Current Ratio	4.31	5.02
Shareholders' Equity	$62.697.096	$62.046.819

Daniel Industries, Inc.

One Riverway Drive, Suite 2200
P.O. Box 19097
Houston, Texas 77056
(713) 960-1300

Officers: W.A. Griffin, chairman of the board; Louis F. Crane, president; E.E. Lowe, Ralph H. Clemons, Jr., Rex W. Landry, v.p.'s; H.D. Morrison, Jr., v.p., secretary-treasurer; W.C. Lingman, v.p.-information services; Michael R. Yellin, asst. secretary & asst. treasurer; James M. Sharp, v.p.-research.

Directors: W.A. Griffin, William C. Morris, James M. Sharp, Howard Wolf, James R. Moffett, Joseph L. Parrish, James R. Whatley, Rex W. Landry, Ralph H. Clemons, Jr., E.E. Lowe, Louis F. Crane.

Areas of Work: Engaged in the manufacture, sale and servicing of orifice fittings, turbine meters, meter tubes, valves and related mechanical and electronic products for the measurement and control of fluid flows (liquid and gases), and in the engineering and fabrication of integrated metering systems. Also manufactures and markets alloy stud bolts, and manufactures and sells water handling equipment including pumps, tanks and plastic pipe.

Divisions and Subsidiaries:

Systems Engineering Division
9525 Katy Road, Suite 450
Houston, Texas 77024
(713) 467-1690

Bolt and Gasket Division
P.O. Box 292
Houston, Texas 77001
(713) 224-5811

Pump and Equipment Division
P.O. Box 21186
Houston, Texas 77026
(713) 695-5871

Daniel Industries Limited
Lochlands Industrial Estates
Larbert-Stirlingshire FK5 3NS
Falkirk, Scotland

M & J Valve Division
Houston, Texas
Manufacturer of large, fabricated gate valves used on both gas and liquid pipelines and high-pressure industrial processing systems.

Production Specialties Division
Manufacturing and marketing of gas lift equipment and wireline tools used by oil producers in secondary crude oil recovery operations.

Geophysical Division
Denver, Colorado

Electronics Division

Measurement & Control Group

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
New York, New York

MBank Houston, N.A.
Houston, Texas

Stock Exchange(s): New York

Ticker Symbol: DAN

Sales and Earnings

	Net Sales	Net Income
1984	$ 137.761.000	$ (2.210.000)
1983	154.305.000	3.511.000
1982	196.432.000	15.151.000
1981	186.629.000	14.890.000
1980	162.936.000	9.837.000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	9,666,000	$ —
1983	9,664,000	0.36
1982	9,622,000	1.57
1981	9,536,000	1.56
1980	8,584,000	1.15

(Loss)
‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business
(000's)

	1984	1983
Fluid measurement prods. & systems	$ 91.020	$ 110.996
Stud bolts & nuts	9.598	8.011
Pipeline valves	12.569	17.723
Geophysical services	16.297	10.793
Other	7.306	6.782
Corporate	971	—
Total	$ 137.761	$ 154.305

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.17	5%	—
1983	0.17	5%	—
1982	0.16	5%	—
1981	0.14	—	2-for-1
1980	0.12	5%	—

‡ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 93.988.000	$ 9.72
1983	99.076.000	10.25
1982	97.875.000	10.17
1981	85.750.000	8.99
1980	71.104.000	8.28

‡ Adjusted to reflect stock dividends and stock split.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 136.058	$ 153.636
Other income	1.703	669
Net revenues	$ 137.761	$ 154.305
Cost of sales	85.327	94.988
Expenses	49.575	52.375
Prof. sh. plan & pension trusts	945	1.490
Interest expense	1.950	2.449
Unusual items	8.005	—
Inc. (loss) before taxes	$ (8.041)	$ 3.003
Tax credit	(5.831)	(508)
Net Income (Loss)	$ (2.210)	$ 3.511

* Included in Costs and Expenses, Depreciation: $7.761.000 in 1984 and $7.391.000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 7.164	$ 3.414
Accts. receiv., net	33.015	23.041
Refundable inc. taxes	2.713	5.872
Costs & earnings in excess of billings	1.647	11.874
*Inventories	30.041	32.442
Other assets	2.311	2.930
Current Assets	$ 76.891	$ 79.573
#Fixed assets	61.408	66.288
Other assets	1.469	3.299
Intangibles	4.222	4.722
Total Assets	$ 143.990	$ 153.882

Liabilities
(000's)

Notes payable	$ 2.460	$ 4.592
Accts. payable	9.322	7.316
Accrued payroll	2.463	2.247
Accrued profit sharing contribution	956	1.500
Other accruals	7.417	7.782
Billings in excess of est. earnings	108	302
Deferred inc. taxes	1.522	3.459
Curr. Liabilities	$ 24.248	$ 27.198
Long-term debt	16.660	19.120
Deferred inc. taxes	9.094	8.488
+ Common stock	12.193	11.616
Add. paid-in capital	59.813	54.897
For. curr. trans. adj.	(3.942)	(2.730)
Retained earnings	26.859	36.228
Treasury stock	(935)	(935)
Total Liabilities & Shareholders Equity	$ 143.990	$ 153.882

* Domestic inventories at LIFO; foreign inventories at average cost.
# Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	1.95
%Net Income to Revenues	—	2.28
%Net Income to Equity	—	3.54
Working Capital	$52.643.000	$52.375.000
Current Ratio	3.17	2.93
Shareholders' Equity	$93.988.000	$99.076.000

Data Card Corporation

11111 Bren Road West
Minneapolis, Minnesota 55440

Mailing address:

P.O. Box 9355
Minneapolis, Minnesota 55440
(612) 933-1223

Officers: D.J. Ekberg, chairman of the board & chief exec. officer; Gary R. Holland, pres. & chief oper. officer; Charles R. Schmidt, v.p. & chief financial officer; William N. Sites, treasurer; Kenneth D. Anderson, controller; Robert J. Johnson, secretary; Rosa M. Masterson, asst. secretary.

Directors: Willis K. Drake, D.J. Ekberg, Donald L. Lucas, Eugene R. Olson, James P. McFarland, Gary Holland, Jack J. Crocker, Frank W. McBee, Jr.

Areas of Work: Data Card's line of high technology machines for business and industry includes equipment to emboss and encode plastic credits, debit and other identification cards; specialized magnetic ink character (MICR) printing equipment for the banking, insurance and other financial industries; electronic weighing equipment for business and industrial uses, and high powered automated laser machining systems for welding, heat treating and cutting in industrial applications.

Divisions and Subsidiaries:

Identification Systems Division
11111 Bren Road West
P.O. Box 9355
Minneapolis, Minnesota 55440

Obitran Division
11487 Woodside Avenue
Santee, California 92071

Laserdyne Division
6690 Shady Oak Road
Eden Prarie, Minnesota 55344

Troy Division
2331 South Pullman Street
Santa Ana, California 92705

Federal Systems Division
1275 River Road
Crownsville, Maryland 21032

International Division
11111 Bren Road West
Minneapolis, Minnesota 55440

Card Systems Division
11111 Bren Road West
Minneapolis, Minnesota 55440
(612) 933-1223

Marketing Systems Division
10321 West 70th Street
Minneapolis, Minnesota 55344
(612) 944-9112

Micross Division
125 Sherwood Avenue
Farmingdale, New York 11735
(516) 249-6046

Customer Service Division
11111 Bren Road West
P.O. Box 9355
Minneapolis, Minnesota 55440
(612) 933-1223

World Trade Division
11111 Bren Road West
P.O. Box 9355
Minneapolis, Minnesota 55440
(612) 933-1223

Data Card International Limited
New Lane, Havant
Hampshire P09 2NR
England

Data Card GmbH
Bockenheimer Landstr. 51-53
Rhein-Main-Center
6000 Frankfurt/M.1
West Germany

Data Card France S.A.R.L.
28 bis rue Sorbier
75020 Paris
France

Data Card de Mexico, S.A. de C.V.
Av. Cuahtemoc, 1486/601-A
Col. Sta. Cruz Ayotac
Delegacion Benito Juarez
Mexico 03310, D.F.

Data Card Sweden AB
Box 42015
S-126 12 Stockholm
Sweden

Data Card Japan Ltd.
Svax Building
2-39-3, Nishi-Shinbashi
Minato-Ku, Tokyo 105
Japan

Transfer Agent(s):

First Trust Company of Saint Paul
First National Bank Building
St. Paul, Minnesota 55101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DATC (NASDAQ)

Number of Employees:

1983	1,352	1980	1,633
1982	1,590	1979	1,310
1981	1,640		

Sales and Earnings

		Revenues ‡	Net Income +
1984	$	82,625,000 $	6,151,000
1983		70,221,000	4,501,000
1982		71,140,000	(1,749,000)
1981		72,181,000	5,747,000
1980		61,882,000	7,091,000

	No. of Com. Shares #	Earn. per Share † +
1984	6,200,809	$ 0.98
1983	6,136,857	0.73
1982	6,145,601	—
1981	6,129,161	1.00
1980	5,438,970	1.41

(Loss)
+ Including extraordinary gains of $499,000 ($0.08 per share) in 1984 and $447,000 ($0.07 per share) in 1983.
‡ Of continuing operations only.
# Adjusted to reflect stock split.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.24	—	—
1983	0.24	—	—
1982	0.24	—	—
1981	0.22	—	3-for-2 +
1980	0.14	—	—

+ In the form of a stock dividend.

Common Stock Equity

		Total Equity	Equity Per Share ‡
1984	$	44,427,000	$ 7.16
1983		39,122,000	6.37
1982		36,555,000	5.95
1981		41,825,000	6.82
1980		34,220,966	6.29

‡ Adjusted to reflect stock split.

Income Account *

Year ended	3/31/84	3/26/83
Revenues	$ 82,625,488	$ 70,221,038
Cost of sales, services & rentals	46,586,943	42,201,306
Expenses	24,688,854	18,956,822
Product devel. costs	4,795,083	3,935,549
Interest expense	500,487	680,356
Interest income	(2,179,412)	(1,499,044)
Income before taxes	$ 8,233,533	$ 5,946,049
Income taxes	2,582,000	1,892,000
Net Income	$ 5,651,533	$ 4,054,049
Extraord. credit	499,000	447,000
Net Income & extraord. credit	$ 6,150,533	$ 4,501,049

* Included in Costs and Expenses, Depreciation: $3,738,734 in 1984 and $3,503,197 in 1983.

Assets

As of	3/31/84	3/26/83
Cash	$ 1,426,891	$ 999,297
Marketable securities	10,765,270	4,722,169
Accts. receiv., net	16,415,273	12,200,992
Net investment, curr.	3,323,287	3,261,369
*Inventories	14,540,375	14,386,194
Prepaid expenses	602,482	555,459
Current Assets	$ 47,073,578	$ 36,125,480
Investment	4,521,204	6,702,986
#Fixed assets	17,808,566	17,518,347
Other assets	1,323,139	629,505
Total Assets	$ 70,726,487	$ 60,976,318

Liabilities

Notes payable	$ 140,888	$ 344,037
Long-term debt, curr.	159,828	183,057
Accts. payable	5,742,941	4,170,529
Accruals	7,342,080	4,853,131
Cust. deposits	2,543,301	2,564,48
Deferred inc. taxes	264,621	677,49
Income taxes	1,806,680	744,51
Res. for discont. oper.	194,570	317,414
Curr. Liabilities	$ 18,194,909	$ 13,854,657
Deferred inc. taxes	3,692,237	3,198,756
Long-term debt	3,334,577	3,499,691
Res. for discont. oper.	1,077,322	1,301,308
+Common stock	622,162	622,162
Add. paid-in capital	22,109,793	21,921,933
Retained earnings	24,386,046	19,717,418
Eq. adjust.	(2,502,563)	(2,396,910)
Treasury stock	(187,996)	(742,697)
Total Liabilities & Shareholders' Equity	$ 70,726,487	$ 60,976,318

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	9.96	8.47
%Net Income to Revenues	6.84	5.77
%Net Income to Equity	12.72	10.36
Working Capital	$28,878,669	$22,270,823
Current Ratio	2.59	2.61
Shareholders' Equity	$44,427,442	$39,121,906

Data General Corporation

4400 Computer Drive
Westboro, Massachusetts 01580
(617) 366-8911

Officers: Edson de Castro, president; Herbert J. Richman, exec. v.p.; Robert C. Miller, sr. v.p.-Business; Frank P. Silkman, sr. v.p.-Field Engineering; James R. Barnes, v.p.-Peripherals Development; Donald V. Bateman, v.p.-human resources; William W. Bentley, v.p.-North American Field Engineering; James P. Campbell, v.p.-administration; David L. Chapman, v.p.-manufacturing; Frederick P. Cochrane, v.p.-Field Engineering Services; John H. Crawford, v.p.-Worldwide Dealer Programs; Raymond Fortune, v.p.-Europe; Michael Schneider, v.p.-customer service; James A. Pitts, v.p. & controller; Anthony C. Nicoletti, v.p.-Field Engineering

Data General Corporation

Support; J. David Lyons, v.p.-Informations Systems; Frank M. Keaney, v.p.-North American sales; Kenneth V. Jaeggi, v.p.-chief financial officer; George D. McClelland, v.p. & treasurer; Wayne Fitzsimmons, v.p.-Americas/Far East; Howard Haythornthwaite, v.p.-international manufacturing operations; Lee Henning, v.p.-materials and manufacturing services; Herbert M. Shanzer, v.p.-desktop division; J. Thomas West, v.p.-systems development division; James V. Williamson, v.p.-U.S. manufacturing operations; Colin Crook, v.p.-international development; Larry H. Holswade, v.p.-Federal Systems Division; Donald L. McDougall, v.p.-Technical Products Division; Hisashi Tomine, v.p. & president-Nippon-Data General; Carl E. Kaplan, secretary.

Directors: Edson D. deCastro, Herbert J. Richman, Frederick R. Adler, Allan S. Gordon, John F. Lubin.

Areas of Work: Designs, manufactures and markets a variety of small and medium scale general purpose digital computers, software packages, electro-mechanical peripheral equipment, electronic controllers and interfaces and related products.

Divisions:

Information Systems Division
Markets computer systems used by large organizations in commercial applications.

Technical Products Division
Markets products for end-users, original equipment manufacturers, and systems integrators in the industrial, scientific and technical markets.

Desktop Division
Produces desktop computers for varied applications.

Systems Development and Semiconductor Divisions
Design and develop computer systems, software, and semiconductor components for Data General divisions.

Subsidiaries:

Data General Europe, Inc.
Tour Manhattan
5/6 Place de L'Iris
92095 Paris-La Defense II
France

Datagen, Inc.
Data General ApS
Data General Costa Rica, S.A.
Data General Latin America, Inc.
Data General New Zealand Limited
Data General OY
Data General Philippines, Inc.
Data General (Canada) Inc.
Data General Commercial System, Inc.
Data General International Sales Corporation
Data General Investment Corporation
Data General Limited (United Kingdom)
Data General GmbH (Germany)
Data General Gesellschaft M.B.H. (Austria)
Data General France SARL
Data General Holland BV
Data General Australia Pty., Ltd.
Data General AB
Data General Israel, Ltd.
Data General Hong Kong, Ltd.
Data General A.G. (Switzerland)
Data General Ltda. (Brazil)
Data General S.A. (Belgium)
Data General C.A. (Venezuela)
Data General A/S (Norway)
Data General Thailand
Data General S.P.A. (Italy)
Data General Importing, Ltd. (New Zealand)
WSA Systems and Services, Inc.
Design Data, Inc.
Digital Computer Controls, Inc.
Nippon-Data General Corp.
(85% owned)
Data General Singapore Pte., Ltd.
Data General Chile Limitada
Data General de Peru, S.A.
Data General Development Corp.
Data General Hong Kong Sales and Service, Ltd.
Data General Ireland, Ltd.
Data General Puerto Rico, Inc.
Data General S.A. (Spain)

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
9th Floor
New York, NY 10015

Stock Exchange(s): New York, London

Ticker Symbol: DGN

Number of Employees:

1984	17,695	1981	14,625
1983	14,855	1980	14,370
1982	15,210		

Plant Footage:

1984	4,843,000 sq. ft.	1981	3,454,000
1983	4,225,000	1980	2,834,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income ‡
1984*	$1,160,815,000	$ 83,256,000
1983	828,904,000	23,135,000
1982	805,910,000	24,658,000
1981	736,872,000	50,663,000
1980	653,887,000	54,690,000

	No. of Com. Shares #	Earn. per Share #‡
1984*	25,939,000	$ 3.21
1983	23,985,000	0.96
1982	21,676,000	1.14
1981	21,191,000	2.39
1980	21,036,000	2.60

* 53 weeks.
# Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.
‡ Including extraordinary gains of $3,473,000 ($0.13 per share) in 1984, $4,829,000 ($0.22 per share) in 1982 and $9,853,000 ($0.46 per share) in 1981.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 594,425,000	$ 22.92
1983	468,998,000	19.55
1982	429,043,000	19.79
1981	382,249,000	18.04
1980	318,574,000	15.14

‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	9/29/84	9/24/83
Net sales	$ 1,160,815	$ 828,904
Cost of sales	659,121	476,391
Expenses	399,069	315,983
Other income	(23,662)	(21,290)
Interest expense	16,686	16,810
Income before taxes	$ 109,601	$ 41,010
Income taxes	29,818	17,875
Net Income	$ 79,783	$ 23,135
Extraordinary gain	3,473	—
Net Income & Extraordinary Gain	$ 83,256	$ 23,135

* Included in Costs and Expenses, Depreciation: $71,305,000 in 1984 and $55,803,000 in 1983.

Assets
(000's)

As of	9/29/84	9/24/83
Cash & temp. cash invest.	$ 199,377	$ 210,815
Marketable securities	4,661	24,225
Accts. receiv., net	248,559	169,637
*Inventories	324,223	216,280
Prepaid expenses	20,950	9,583
Current Assets	$ 797,770	$ 630,540
Long-term receivables	9,206	—
#Fixed assets	261,786	214,346
Total Assets	$ 1,068,762	$ 844,886

Liabilities
(000's)

Notes payable	$ 17,641	$ 16,452
Accts. payable	87,615	46,123
Other curr. liab.	86,995	55,751
Accrued payroll	31,170	23,040
Income taxes	49,457	28,260
Deferred income taxes	55,885	39,527
Curr. Liabilities	$ 328,763	$ 209,153
Long-term debt	134,916	138,878
Deferred inc. taxes	10,658	27,857
+Common stock	245	227
Add. paid-in capital	183,095	140,526
Retained earnings	411,502	328,246
Treasury stock	(417)	(1)
Total Liabilities & Shareholders' Equity	$ 1,068,762	$ 844,886

* At lower of cost (FIFO) or market.
+ $0.01 par value.
# Less accumulated depreciation.

Statistical Summary

%Income bef. Taxes to Sales	9.44	4.95
%Net Income to Sales	6.87	2.79
%Net Income to Equity	13.42	8.74
Sales to Inventories	3.58	3.83
Working Capital	$469,007,000	$421,387,000
Current Ratio	2.43	3.01
Shareholders' Equity	$594,425,000	$468,998,000

Data-Design Laboratories

7925 Center Avenue
P.O. Box 711
Cucamonga, California 91730
(714) 987-2511

Officers: Thomas C. Beiseker, president & chief executive officer; Dominic P. Salvati, exec. v.p. & secretary; G.L. Milliken, v.p.-planning & contracts; Alan R. Steel, v.p.-finance & treasurer; Stephen M. Andres, v.p.-administration.

Directors: Thomas C. Beiseker, Russell B. O'Neill, Frank Sanders, Dan W. Burns, Hugh E. Witt, John C. Hall, Eugene P. Wilkinson.

Areas of Work: Engaged in two major areas — engineering services and engineered products. Engineering services involve electronics systems design and support, specialized systems fabrication, and technical training services. The majority of engineering services performed are elements of complex military weapon systems programs. Engineered products include high-quality printed circuit boards for the electronics industry; emergency power products for office buildings, factories and public buildings; mechanical components and pressure gauges for original equipment manufacturers.

Divisions:

Instrument Division
7925 Center Avenue
Cucamonga, California 91730
(714) 987-2511
Manufactures and markets a line of custom designed gauges for a wide range of OEM's. Beside life support equipment, products include gauges for SCUBA equipment, emergency aircraft escape slides and life rafts.

Technical Services Division
7925 Center Avenue
Cucamonga, California 91730
Produces packaged training and testing systems for military, institutional and commercial organizations.

Subsidiaries:

Circuit Design & Mfg., Inc.
7945 Center Avenue
Cucamonga, California 91730
(714) 987-6328
Manufactures printed circuit boards.

Aeroscientific Corporation
184 E. Liberty Avenue
Anaheim, California 92801
(714) 871-8110
Manufactures printed circuit boards.

Phoenix Printed Circuits, Inc.
10017 North 19th Avenue
Phoenix, Arizona 85021
(602) 944-2679
Manufactures circuit boards.

Digital Application, Inc. (79% owned)
2519 National Drive
Garland, Texas 75041
A manufacturer of printed circuit boards.

Custom Systems Associates, Inc.
14100 N.W. Science Park Drive
Portland, Oregon 97229
Manufactures printed circuit boards.

Hydrotronics, Inc.
7926 Jones Branch Drive
Suite 500
McLean, Virginia 22101
(703) 790-5270
Conducts research activities in the area of military underwater communications and underseas warfare systems; engineering and fabrication of electronic warfare threat simulators, microwave transmitter and antenna systems, digital control and interface systems, and electronic countermeasures, jammers, receivers and decoys.

Siltron Illumination, Inc.
1960 West 139th Street
Gardena, California 90249
(213) 770-0985
Produces and designs architecturally compatible emergency lighting systems and emergency power equipment used for essential systems such as fire alarms, communications systems, and industrial pumps, blowers and motors.

United Scientific Corporation
Mountain View, California
(415) 969-9400
Manufactures and markets communications equipment and analytical instruments. The signal processing equipment is used in CATV and other cable communications systems and is compatible with coaxial cable, microwave, satellite and fiber optics means of transmission.

Sierra Precision
Cucamonga, California
Produces high pressure gauges and hoses, depth gauges and related products.

Cir-Tech, Inc.
Minneapolis, Minnesota
Manufactures printed circuit boards.

Acquisition(s):

Irlandus Circuits
Northern Ireland
Produces printed wiring boards.

Transfer Agent(s):

Bank of America, N.T. & S.A.
55 Hawthorne Street
San Francisco, California 94105

Stock Exchange(s): New York

Ticker Symbol: DDL

Number of Employees:

1984	N.A.	1981	1,300
1983	N.A.	1980	1,400
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 97,936,000	$ 6,031,000
1983	80,967,000	4,115,000
1982	72,201,000	3,665,000
1981	70,371,000	3,631,000
1980	67,741,000	2,727,000

	No. of Com. Shares +	Earn. per Share #
1984	6,112,313	$ 0.98
1983	5,988,877	0.68
1982	5,943,992	0.61
1981	5,913,557	0.61
1980	5,704,808	0.50

+ Adjusted to reflect stock splits.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Engineering services	$ 26,436,000	$ 30,077,000
Printed circuit boards	50,373,000	26,610,000
Communications	12,290,000	14,159,000
Other	8,837,000	10,121,000
Total	$ 97,936,000	$ 80,967,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.18	—	4-for-3
1983	0.14	—	5-for-4
1982	0.14	—	5-for-4
1981	0.11	—	4-for-3
1980	0.10	—	5-for-4

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 28,620,000	$ 4.68
1983	24,147,000	4.03
1982	19,807,000	3.33
1981	17,612,000	2.98
1980	14,046,000	2.46

† Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 97,936,000	$ 80,967,000
Cost of sales & services	70,289,000	60,204,000
Expenses	15,099,000	11,777,000
Interest expense	2,690,000	2,816,000
Income before taxes	$ 9,858,000	$ 6,170,000
Income taxes	3,827,000	2,055,000
Net Income	$ 6,031,000	$ 4,115,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,788,000 and $2,557,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 1,866,000	$ 1,316,000
Accts. & notes receiv., net	20,812,000	21,285,000
*Inventories	13,705,000	9,522,000
Prepaid expenses	538,000	204,000
Current Assets	$ 36,921,000	$ 32,327,000
#Fixed assets	10,186,000	9,529,000
Other assets	21,453,000	17,010,000
Total Assets	$ 68,560,000	$ 58,866,000

Liabilities

Notes payable	$ 1,410,000	$ —
Long-term debt, curr.	1,353,000	932,000
Accts. payable	5,778,000	4,129,000
Accruals	1,492,000	623,000
Accruals payroll	4,523,000	4,682,000
Income taxes	1,888,000	135,000
Deferred inc. taxes	(410,000)	528,000
Curr. Liabilities	$ 16,034,000	$ 11,029,000
Long-term debt	23,730,000	23,526,000
Minority interest	176,000	164,000
+Common stock	2,038,000	1,497,000
Add. paid-in capital	4,460,000	4,324,000
Retained earnings	23,267,000	18,326,000
Unreal. loss on market secur.	(1,145,000)	—
Total Liabilities & Shareholders' Equity	$ 68,560,000	$ 58,866,000

* At cost (FIFO).
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	10.07	7.62
%Net Income to Sales	6.16	5.08
%Net Income to Equity	21.07	17.04
Sales to Inventories	7.15	8.50
Working Capital	$20,887,000	$21,298,000
Current Ratio	2.30	2.93
Shareholders' Equity	$28,620,000	$24,147,000

Datapoint Corporation

8119 Datapoint Drive
San Antonio, Texas 78284
(512) 699-7000

Mailing address:
9725 Datapoint.Drive
San Antonio, Texas 78284

Officers: Harold E. O'Keiley, chairman & chief exec. officer; Edward P. Gistaro, president & chief oper. officer; John Hale, exec. v.p.-customer service & operations administration; Jonathan E. Schmidt, exec. v.p.-Datapoint Technology Center; William Meehan, exec. v.p.-finance & chief financial officer; Vincent S. Balhorn, sr. v.p.-customer relations & corp. products; Lloyd C. Tschirhart, v.p. & corp. controller; Jan F. Ahart, v.p. & treasurer; Helaine B. Harthcock, v.p. & corp. secretary; Jack G. Milne, v.p.-corp. relations; John F. Strieby, v.p.-corp. development; Ralph H. Thurman, v.p.-human resources.

Directors: Edward P. Gistaro, Gene K. Beare*, William G. Karnes, G. Kozmetsky, Harold E. O'Kelley*, H.G. Bowles, W.C. Leone*, T.J. Klutznick, Victor D. Poor, Evelyn Berezin.

*Member of the Executive Committee.

Areas of Work: Designs, develops, manufactures and produces general purpose business computer systems for managing the tasks of the fully Integrated Electronic Office. The functions of dispersed data processing, word processing, communications management, electronic message systems, individual computing color business graphics and electronic file storage/retrieval can all be maintained and arbitrarily expanded or reconfigured within the Attached Resource Computer (ARC) System architecture.

Subsidiaries:

Inforex, Inc.
186 Middlesex Turnpike
Burlington, Massachusetts 01803
Manufactures, markets, leases and services minicomputer-based systems for data entry and life management on a world wide basis.

Datapoint-DISC, Inc.
9725 Datapoint Drive
San Antonio, Texas 78284

Datapoint Belgium S.A.
Brussels, Belgium

Datapoint Corporation Pty. Ltd.
Sydney, Australia

Datapoint International Gesellschaft mbH
Vienna, Austria

Datapoint Corporation

Datapoint do Brasil
Rio de Janeiro, Brazil

Datapoint Canada, Inc.
Toronto, Canada

Datapoint (U.K.) Ltd.
London, England

Datapoint Oy
Helsinki, Finland

Datapoint Deutschland GmbH
Frankfurt, West Germany

Datapoint Nederland B.V.
Gouda, The Netherlands

Datapoint Corporation (N.Z.) Ltd.
Wellington, New Zealand

Datapoint Iberica S.A.
Madrid, Spain

Datapoint Italia, S.p.A.
Milan, Italy

Datapoint (Schweiz) A.G.
Zurich, Switzerland

Datapoint Svenska A.B.
Stockholm, Sweden

Transfer Agent(s):

First City National Bank of Houston
P.O. Box 809
Dallas, Texas 77001

Stock Exchange(s): New York

Ticker Symbol: DPT

Number of Employees:

1984	8,431	1981	7,915
1983	8,914	1980	5,939
1982	8,822		

Sales and Earnings

	Revenues	Net Income †
1984	$ 600,154,000	$ 28,182,000
1983	540,192,000	8,077,000
1982	508,486,000	2,405,000
1981	449,490,000	48,761,000
1980	318,826,000	33,478,000

	No. of Com. Shares ‡	Earn per Share ‡†
1984	20,517,822	$ 1.37
1983	20,342,547	0.40
1982	20,273,646	0.12
1981	19,900,221	2.45
1980	17,644,588	1.90

† Including extraordinary gain of $1,764,000 ($0.08 per share) in 1984.

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1*
1980	—	—	2-for-1*

* In the form of a stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 353,861,000	$ 17.25
1983	329,963,000	16.22
1982	326,150,000	16.09
1981	318,423,000	16.00
1980	169,132,000	9.59

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended July 31	1984	1983
Net sales, rentals and services	$ 600,154	$ 540,192
Cost of revenue	314,900	295,098
Expenses	233,801	231,203
Financing expense	2,532	8,194
Income before taxes	$ 48,921	$ 5,697
Income taxes (credit)	22,503	(2,380)
Net Income	$ 26,418	$ 8,077
Extraordinary gain	1,764	—
Net Income & extraord. gain	$ 28,182	$ 8,077

* Included in Costs and Expenses, Depreciation and Amortization: $57,518,000 in 1984 and $56,301,000 in 1983.

Assets
(000's)

As of July 31	1984	1983
Cash & temp. cash invest.	$ 132,452	$ 107,198
Accts. receiv., net	132,734	135,523
*Inventories	99,282	77,823
Prepaid expenses	6,782	3,346
Current Assets	$ 371,250	$ 323,890
#Fixed assets	74,471	69,784
#Equip. leased to cust.	17,374	23,140
Field support spares	45,292	44,663
Intangibles	88,473	88,659
Investments	9,288	12,464
Other assets	16,619	24,074
Total Assets	$ 622,767	$ 586,674

Liabilities
(000's)

	1984	1983
Notes payable	$ 18,482	$ 8,138
Long-term debt, curr.	7,575	8,299
Accts. payable	36,202	28,020
Accruals	63,865	57,358
Income taxes payable	6,187	3,987
Deferred revenue	18,445	16,616
Curr. Liabilities	$ 150,756	$ 122,418
Long-term debt	110,720	123,737
Deferred inc. taxes	3,529	8,723
Other liabilities	3,901	1,833
+ Common stock	5,063	5,026
Add. paid-in capital	189,781	187,227
For. currency trans. adjust.	(18,242)	(11,541)
Retained earnings	177,433	149,251
Treasury stock	(174)	—
Total Liabilities & Shareholders' Equity	$ 622,767	$ 586,674

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.15	1.05
%Net Income to Rev.	4.70	1.50
%Net Income to Equity	7.96	2.45
Sales to Inventories	6.04	6.94
Working Capital	$220,494,000	$218,088,000
Current Ratio	2.46	3.06
Shareholders' Equity	$353,861,000	$329,963,000

Dataproducts Corporation

6200 Canoga Avenue
Woodland Hills, California 91365
(213) 887-8000

Officers: Graham Tyson, chairman of the board; Charles A. Dickinson, president & chief executive; Russell E. Quinn, sr. v.p.-finance & admin.; Frank J. McQuaid, sr. v.p.-finance & treasurer; Clifford J. Helms, sr. v.p.-technical programs; Larry H. Holswade, v.p.-New England Operations; Robert G. Wallstrom, v.p.-line printer operations; Robert J. Pieper, v.p.-marketing; Clifford M. Jones, sr. v.p.-corporate engineering & manufacturing; Norman A. Fletcher, group v.p.-components operations; Paul D. Weiser, sr. v.p.-secretary & corp. counsel; Paul J. Smith, group v.p.-line printers.

Directors: Graham Tyson, chairman, George W. Brown, Frank G. Chambers, Chester I. Lappen, Charles A. Dickinson, Richard D. Dotts, Jack D. Steele, Vincent N. Marafino, Glenn E. Penisten, Frank J. McQuaid, Erwin Tomash.

Areas of Work: Designs and manufactures peripherals for data processing systems, including band, thermal, matrix and daisy wheel printers. In addition, the Corporation produces data transmission telecommunications equipment for industrial, governmental and commercial use, aerospace equipment and ribbons for computer impact printers.

Divisions:

Woodland Hills Division
6219 DeSoto Avenue
Woodland Hills, California 91365
(213) 887-8000

Subsidiaries:

Dataproducts (San Jose), Inc.
2550 Zanker Road
San Jose, California 95131
(408) 946-9740

Dataproducts International, Ltd.
Dataproducts House
136-138 High Street, Egham
Surrey, TW20 9HL

Dataproducts (Dublin) Limited
Clonshaugh-Industrial Estate
Dublin 5, Ireland

Dataproducts Irvine
17426 Daimler Avenue
Irvine, California 92714

Dataproducts Puerto Rico
P.O. Box 7728
Ponce, Puerto Rico 00731
(809) 844-0618

Dataproducts Hong Kong, Limited
95, How-Ming Street
Kwun Tong
Kowloon, Hong Kong

Data Products New England, Inc.
Barnes Park North
Wallingford, Connecticut 06492
(203) 265-7151

Dataproducts Supplies Division
9657 Mason Avenue
Chatsworth, California 91311
(213) 882-0530

Dataproduct SPG (Milford), Inc.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American, Pacific, Phila-Balt-Wash.

Ticker Symbol: DPC

Number of Employees:

1984	5,651	1981	4,500
1983	N.A	1980	5,017
1982	4,700		

Plant Footage:

1982	1,600,000 sq. ft.	1980	1,535,000
1981	1,535,000		

N.A. - Not Available.

Sales and Earnings ‡

	Net Revenues +	Net Income
1984	$ 398,636,000	$ 26,040,000
1983	317,671,000	13,761,000
1982	289,740,000	4,676,000
1981	288,308,000	17,334,000
1980	189,823,000	8,542,000

	No. of Com. Shares #	Earn. per Share #
1984	20,599,000	$ 1.26
1983	19,561,000	0.70
1982	19,306,000	0.24
1981	16,624,000	1.04
1980	15,928,000	0.54

‡ Restated to include operations of Dataproducts SPG (Milford, Inc.), acquired on a pooling of interests basis.
+ Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.15	100%	—
1982	0.15	—	—
1981	0.15	—	—
1980	0.15	—	—

# Adjusted to reflect stock dividend.

Common Stock Equity ×

	Total Equity	Equity Per Share #
1984	$ 217,921,000	$ 10.53
1983	169,927,000	8.70
1982	158,648,000	8.16
1981	154,848,000	8.09
1980	95,530,000	6.53

× Restated.
# Adjusted to reflect stock dividend

Income Account *

Year ended	3/31/84	3/26/83 ‡
Net revenues	$ 398,636,000	$ 317,671,000
Cost of revenues	271,013,000	222,174,000
Expenses	98,095,000	77,110,000
Interest expense	88,000	1,512,000
Income before taxes	$ 29,440,000	$ 16,875,000
Income taxes	3,400,000	3,114,000
Net Income	$ 26,040,000	$ 13,761,000

* Included in Costs and Expenses, Depreciation and Amortization: $12,444,000 in 1984 and $10,765,000 in 1983.

Assets

As of	3/31/84	3/26/83 ‡
Cash & securities	$ 15,016,000	$ 30,781,000
Short-term investments	61,188,000	24,000,000
Accts. receiv., net	86,680,000	67,505,000
*Inventories	87,204,000	62,565,000
Tax refund receivable	1,158,000	3,089,000
Deferred tax charges	476,000	2,311,000
Prepaid expenses	2,492,000	2,010,000
Current Assets	$ 254,214,000	$ 192,261,000
#Fixed assets	52,345,000	48,123,000
Intangibles	14,203,000	14,683,000
Other assets	6,483,000	4,872,000
Total Assets	$ 327,245,000	$ 259,939,000

Liabilities

Notes payable	$ 26,875,000	$ 5,055,000
Accts. payable	36,084,000	24,212,000
Accruals	13,588,000	11,487,000
Income taxes	1,802,000	1,808,000
Long-term debt, curr. portion	1,332,000	855,000
Other liabilities	2,056,000	2,938,000
Dividends payable	1,657,000	1,566,000
Curr. Liabilities	$ 83,394,000	$ 47,921,000
Long-term debt	14,951,000	28,066,000
Deferred inc. taxes	9,350,000	12,557,000
Other liabilities	1,629,000	1,468,000
+ Common stock	2,069,000	1,953,000
Add. paid-in capital	96,673,000	71,528,000
Retained earnings	119,179,000	96,446,000
Total Liabilities & Shareholders' Equity	$ 327,245,000	$ 259,939,000

‡ Restated.
* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Revenues	7.39	5.31
% Net Income to Revenues	6.53	4.33
% Net Income to Equity	11.95	8.10
Sales to Inventories	4.57	5.08
Working Capital	$170,820,000	$144,340,000
Current Ratio	3.05	4.01
Shareholders' Equity	$217,921,000	$169,927,000

Dataram Corporation

Princeton Road
Cranbury, New Jersey 08512
(609) 799-0071

Officers: Raymond P. Von Culin, chairman of the board & chief exec. officer; Robert V. Tarantino, president & chief operating officer; Bernard F. Hellrigel, v.p.-engineering; G. Robert Marcus, secretary; Frank Kardashian, treasurer

Directors: Raymond P. Von Culin, Richard Holzman, John Cahill, Robert V. Tarantino.

Areas of Work: Design and manufacture of memory products for the minicomputer industry.

Subsidiaries:

Dataram International Sales Corporation

Affiliates:

Stanford Associates, Inc. (19% interest)
Manila, Republic of the Philippines

Transfer Agent(s):

First Fidelity
765 Broad Street
Newark, New Jersey 07102

Stock Exchange(s): American

Ticker Symbol: DTM

Number of Employees:

1984	214	1981	225
1983	190	1980	260
1982	N.A.		

Plant Footage:

1984	71,000 sq. ft.	1981	53,000
1983	53,000	1980	53,000
1982	N.A.		

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 19,028,409	$ 1,328,406
1983	16,182,348	1,266,573
1982	20,058,695	1,413,705
1981	22,815,105	(1,556,013)
1980	22,105,268	3,192,288

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,230,293	$ 0.59
1983	2,391,915	0.52
1982	2,411,251	0.59
1981	2,363,745	—
1980	2,275,096	1.40

(Loss)
‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	10%	4-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 8,978,204	$ 4.03
1983	11,716,710	4.97
1982	10,781,231	4.49
1981	9,329,299	3.86
1980	10,917,919	4.80

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividend and stock split.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 19,028,409	$ 16,182,348
Cost of sales	11,463,087	11,929,250
Expense	6,311,081	5,081,618
Interest income	(127,865)	(228,827)
Interest expense	48,266	30,834
Other income	(507,663)	(2,377,107)
Equity in earn. of CSPI	(257,903)	(344,993)
Income before taxes	$ 2,099,406	$ 2,091,573
Income taxes	771,000	825,000
Net Income	$ 1,328,406	$ 1,266,573

* Included in Costs and Expenses, Depreciation and Amortization: $568,503 in 1984 and $311,699 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 167,369	$ 3,147,875
Marketable securities	1,402,788	2,047,186
Accts. receiv., net	3,967,182	2,924,951
*Inventories	5,106,118	3,276,882
Due from officers	80,000	90,000
Deferred charges	486,376	509,764
Current Assets	$ 11,209,833	$ 11,996,658
Investments in assoc. co.	1,617,237	1,517,052
#Fixed assets	1,761,458	1,885,329
Product designs	215,032	503,032
Other assets	24,115	30,816
Total Assets	$ 14,827,675	$ 15,932,887

Liabilities

Accts. payable	$ 1,074,317	$ 910,675
Accruals	1,015,625	715,520
Inc. taxes payable	827,465	467,056
Curr. Liabilities	$ 2,917,407	$ 2,090,251
Deferred income taxes	1,232,064	2,125,926
Long-term debt	1,700,000	—
+ Common stock	2,005,507	2,431,396
Add. paid-in capital	3,820,472	4,627,096
Retained earnings	4,143,146	6,533,154
Notes receivable	(990,921)	(1,145,348)
Treasury stock	—	(729,588)
Total Liabilities & Shareholders' Equity	$ 14,827,675	$ 15,932,887

Dataram Corporation

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.03	12.93
%Net Income to Sales	6.98	7.83
%Net Income to Equity	14.80	10.81
Sales to Inventories	3.73	4.94
Working Capital	$8,292,426	$ 9,906,[illegible]07
Current Ratio	3.84	5.74
Shareholders' Equity	$8,978,204	$11,716,710

Datascope Corp.

580 Winters Avenue
P.O. Box 5
Paramus, New Jersey 07653
(201) 265-8800

Officers: Lawrence Saper, president & chairman; George Heller, sr. v.p. & secretary; Ernst Janzen, sr. v.p.-int'l.; Bruce L. Hanson, v.p.-operations; William H. Terrell, v.p.-corp. design; Stuart S. Levy, v.p., controller & asst. treasurer; Greg Buis, v.p.-marketing; Ralph S. Lyng, v.p.-Implantable Devices; Andre Cohen, v.p.-international marketing.

Directors: David Altschiller, William L. Asmundson, Joseph Grayzel, George Heller, Alan J. Patricof, Lawrence Saper, Norman Schneider.

Areas of Work: Designs, manufactures and markets electronic medical instruments and related products for clinical health care applications. The product lines are divided into three areas: physiological monitors, defibrillator systems and cardiac assist systems.

Products include a microprocessor based blood pressure monitor which measures and displays systolic, diastolic, average blood pressure values and heart rate. In addition to the display, a built in printer prints all the numerical results along with date and time. Also the company manufactures defibrillator systems which consist of a monitor for heart rhythm/rate, a recorder, and a defibrillator for administering an electrical discharge for restoring normal heart rhythm.

Subsidiaries:

Datascope B.V.
Hoevelaken, Holland

Datascope GmbH
Bremen, West Germany

Datascope Medical Co. Ltd.
Cambridge, United Kingdom

Transfer Agent(s):

General Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DSCP (NASDAQ)

Number of Employees:

1984	690	1981	560
1983	630	1980	480
1982	540		

Plant Footage:

1984	138,000 sq. ft.	1981	113,000
1983	127,000	1980	108,000
1982	113,000		

Sales and Earnings

	Net Sales	Net Income‡
1984	$ 42,229,592	$ 1,881,163
1983	37,806,114	2,094,032
1982	31,200,496	1,592,855
1981	31,180,269	2,739,541
1980	20,720,753	1,350,996

	No. of Com. Shares +	Earn. per Share † ‡
1984	2,449,000	$ 0.77
1983	2,477,000	0.85
1982	2,385,000	0.67
1981	2,389,000	1.15
1980	2,336,000	0.58

‡ Including extraordinary gain of $615,600 ($0.25 per share) in 1984.
+ Based on weighted average number of shares outstanding adjusted to reflect stock split.
† Based on weighted average number of shares outstanding assuming full dilution, adjusted to reflect stock split.

Revenue By Line of Business

	1984	1983	1982	1981
Monitor/defibrillator systems	18%	24%	26%	33%
Physiological monitoring pro.	39	36	31	24
Cardiac assist systems	43	40	43	43
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 19,524,679	$ 7.97
1983	17,634,735	7.12
1982	15,200,877	6.37
1981	13,540,428	5.67
1980	10,385,801	4.45

+ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 42,229,592	$ 37,806,114
Cost of sales	19,589,718	17,655,829
Expenses	20,664,311.	16,787,253
Income before taxes	$ 1,975,563	$ 3,363,032
Income taxes	710,00	1,269,000
Net Income	$ 1,265,563	$ 2,094,032
Extraord. gain	615,600	—
Net Income & extraord. gain	$ 1,881,163	$ 2,094,032

* Included in Costs and Expenses, Depreciation and Amortization: $1,475,290 in 1984 and $1,291,689 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 848,972	$ 198,549
Treasury bills	7,911,255	13,463,098
Accts. receiv., net	10,918,359	9,962,835
*Inventories	13,525,323	11,288,357
Prepaid expenses	955,344	611,641
Current Assets	$ 34,159,253	$ 35,524,480
#Fixed assets	7,027,600	5,725,822
Other assets	1,383,901	1,096,246
Total Assets	$ 42,570,754	$ 42,346,548

Liabilities

Short-term debt	$ 968,327	$ —
Accts. payable	2,817,139	2,820,424
Accruals	3,587,314	3,308,897
Income taxes	1,674,044	2,118,273
Long-term debt, curr.	144,612	139,646
Curr. Liabilities	$ 9,191,436	$ 8,387,240
Other liabilities	182,004	93,590
Long-term debt	12,886,405	16,031,017
Deferred inc. taxes	786,230	199,966
+Common stock	23,964	23,864
Add. paid-in capital	2,927,617	2,803,581
Retained earnings	16,690,483	14,809,320
Treasury stock	(12,648)	(2,030)
Cum. trans. adjust.	(104,737)	—
Total Liabilities & Shareholders' Equity	$ 42,570,754	$ 42,346,548

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.68	8.90
%Net Income to Sales	3.00	5.54
%Net Income to Equity	6.48	11.87
Sales to Inventories	3.12	3.35
Working Capital	$24,967,817	$27,137,240
Current Ratio	3.72	4.24
Shareholders' Equity	$19,524,679	$17,634,735

Datatron, Inc.

2942 Dow Avenue
Tustin, California 92680
(714) 544-9970

Officers: Gary R. Mounts, chairman of the board; S. Lewis Meyer, president; Frank Blaha, v.p.-operations; Mark A. Voorhis, v.p.-administration, treasurer & asst. secretary.

Directors: Leona Purcilly Strand, S. Lewis Meyer, Arthur L. Purcilly, Gary R. Mounts, Louis J. Knobbe, C. Craig Carlson, Daniel R Crooks, Kenneth S. Kasdan, Robert J. Stearns, Ronald L. Stoddart.

Areas of Work: Manufactures microprocessors and computer controlled electronic systems and components.

Divisions and Subsidiaries:

Shelly Associates, Component Products
Video Systems Division
Test Systems Division
Interactive Video Division

all at:

2942 Dow Avenue
Tustin, California 92680
(714) 544-9970

Waybern Corporation
Distributes microcomputer hardware and software in the southwestern United States.

Transfer Agent(s):

Union Bank
310 Wilshire Blvd.
Los Angeles, California 90010

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DTRN (NASDAQ)

Number of Employees:

1981	130	1979	142
1980	149		

Plant Footage:

1981	45,000 sq. ft.	1979	27,000
1980	45,000		

Sales and Earnings

	Net Sales +	Net Income ‡
1983	$ 4,709,807	$ (367,340)
1982	6,256,390	(976,538)
1981	6,243,329	(86,901)
1980	6,312,439	574,046
1979	5,058,810	231,108

	No. of Com. Shares	Earn. per Share ‡#
1983	3,168,389	$ —
1982	2,696,039	—

1981	2,181,039	—
1980	1,847,289	0.23
1979	1,817,039	0.13

(Loss)
+ Of continuing operations only.
‡ Including extraordinary credits of $135,000 ($0.05 per share) in 1980, $92,000 ($0.05 per share) in 1979, and extraordinary loss of $68,518 ($0.03 per share) in 1981.
# Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 2,678,527	$ 0.85
1982	2,507,877	0.93
1981	2,944,421	1.35
1980	2,488,580	1.35
1979	1,897,518	1.04

Income Account *

Year ended June 30	1983	1982
Net sales	$ 4,709,807	$ 6,256,390
Cost of sales	2,597,875	3,837,378
Expenses	2,944,343	3,352,021
Interest expense	127,682	153,587
Gain on non-recurring trans.	(715,023)	—
Building reserve	175,000	—
Interest income	(52,730)	(110,058)
Net Loss	$ (367,340)	$ (976,538)

* Included in Costs and Expenses, Depreciation and Amortization: $224,224 in 1983 and $172,014 in 1982.

Assets

As of June 30	1983	1982
Cash	$ 352,630	$ 221,988
Receivables	1,374,762	964,846
*Inventories	1,351,493	1,752,262
Prepaid expenses	52,603	121,197
Current Assets	$ 3,131,488	$ 3,060,293
#Fixed assets	598,862	778,835
Sale of assets	200,000	—
Note receiv.	186,960	233,545
Def. underwriting fees	33,104	62,025
Other assets	177,663	139,423
Total Assets	$ 4,328,077	$ 4,274,121

Liabilities

Note payable	$ 374,852	$ 250,357
Accts. payable	249,699	413,057
Building reserve	175,000	—
Accruals	301,364	318,181
Accrued payroll	104,655	166,006
Commissions	46,814	30,576
Long term debt, curr.	48,353	46,694
Curr. Liabilities	$ 1,300,737	$ 1,224,871
Long-term debt	348,813	541,373
+ Common stock	3,206,351	2,642,399
Add. paid-in capital	575,103	601,065
Retained earnings (deficit)	(1,102,927)	(735,587)
Total Liabilities & Shareholders' Equity	$ 4,328,077	$ 4,274,121

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

Sales to Inventories	3.48	3.57
Working Capital	$1,830,751	$1,835,422
Current Ratio	2.41	2.50
Shareholders' Equity	$2,678,527	$2,507,877

Datum Inc.

1363 South State College Boulevard
Anaheim, California 92806
(714) 533-6333

Officers: Louis B. Horwitz, chairman of the board & president; William E. Baldwin, v.p. & president-Timing Division; Helmut W. Hellwig, v.p. & pres.-Frequency and Time Systems, Inc.; Benjamin F. Tarver, v.p.-finance, treasurer & secretary; Martha Gibbs, asst. secretary.

Directors: Louis B. Horwitz, chairman; Edward A. Money, Charles W. Missler, G. Tilton Gardner, Dan L. McGurk, Thomas J. O'Rourke.

Areas of Work: The Company provides industry with peripheral device controllers, interconnecting widely-used minicomputer systems with most available peripheral devices, and a complete range of precision timing instrumentation.

Subsidiary:

Frequency and Time Systems, Inc.
34 Tozer Road
Beverly, Massachusetts 01915
(617) 927-8220

Transfer Agent(s):

Wells Fargo Bank, N.A.
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DATM (NASDAQ)

Number of Employees:

1984	N.A.	1981	246
1983	N.A.	1980	260
1982	216		

Plant Footage:

1984	N.A.	1982	100,000 sq. ft.
1983	N.A.	1981	100,000

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income +
1984	$ 19,456,000	$ 1,546,000
1983	18,595,000	1,094,000
1982	11,663,000	(1,326,000)
1981	12,749,000	(238,000)
1980	14,919,000	258,000

	No. of Com. Shares	Earn. per Share ‡ +
1984	2,937,163	$ 0.53
1983	2,921,063	0.47
1982	2,000,063	—
1981	1,998,788	—
1980	1,814,438	0.14

(Loss)
+ Including extraordinary gains of $187,000 ($0.07 per share) in 1984 and $144,000 ($0.06 per share) in 1983.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 13,858,000	$ 4.72
1983	12,118,000	4.15
1982	2,490,000	1.24
1981	3,752,000	1.88
1980	3,886,000	2.14

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 19,456,000	$ 18,595,000
Cost of sales	11,264,000	11,158,000
Expenses	5,926,000	5,431,000
Loss on disc. oper.	—	(182,000)
Int. expenses (income)	(389,000)	179,000
Income before taxes	$ 2,655,000	$ 2,009,000
Income taxes	1,296,000	1,059,000
Net Income	$ 1,359,000	$ 950,000
Extraord. gain	187,000	144,000
Net Income & extraord. gain	$ 1,546,000	$ 1,094,000

* Included in Cost and Expenses, Depreciation and Amortization: $511,000 in 1984 and $479,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 5,360,000	$ 7,436,000
Accts. receiv., net	5,209,000	4,026,000
*Inventories	2,927,000	2,206,000
Prepaid expenses	114,000	77,000
Deferred income taxes	170,000	—
Current Assets	$ 13,780,000	$ 13,745,000
#Fixed assets	3,652,000	3,552,000
Other assets	1,366,000	719,000
Total Assets	$ 18,798,000	$ 18,016,000

Liabilities

Long-term debt, curr.	198,000	366,000
Accts. payable	$ 712,000	$ 811,000
Accruals	220,000	701,000
Income taxes payable	356,000	216,000
Accrued payroll	839,000	841,000
Costs of discont. oper.	—	30,000
Curr. Liabilities	$ 2,325,000	$ 2,965,000
Long-term debt	2,615,000	2,933,000
+ Common stock	734,000	730,000
Add. paid-in capital	11,095,000	10,905,000
Retained earn.	2,029,000	483,000
Total Liabilities & Shareholders' Equity	$ 18,798,000	$ 18,016,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

% Income bef Taxes to Sales	13.65	10.80
% Net Income to Sales	6.98	5.11
% Net Income to Equity	9.81	7.84
Sales to Inventories	6.65	8.43
Working Capital	$11,455,000	$10,780,000
Current Ratio	5.93	4.64
Shareholders' Equity	$13,858,000	$12,118,000

DBA Systems, Inc.

P.O. Drawer 550
1200 South Woody Burke Road
Melbourne, Florida 32902
(305) 725-3711

Officers: Howard N. Hebert, chairman of the board & chief exec. officer; M. Alan Bishop, president & chief operating officer; John L. Schaumann, v.p. & gen. mgr.-government systems group; Jon D. Guess, v.p. & controller; Edward I. Williams, sr. v.p.; Gary J. Cooey, v.p.-administration; Gerald A. Nathe, sr. v.p. & president-LogEtronics, Inc.; John N. Elder, v.p. & treasurer; George E. Lane, v.p., gen. counsel & secretary; Charles N. Keating, Jr., v.p.-business development.

Directors: Howard N. Hebert, chairman; John R. Godwin, E. Davison Potter, George L. MacKay, Harry Huge, William C. Potter, Brent Scowcroft, Jonathan L. Collens, Sr., John C. Colman, Gordon O.F. Johnson, Franklin S. Atwater, M. Alan Bishop, Martin L. Blatt, Gerald A. Nathe.

Areas of Work: Engaged in the development and production of trackers used in airborne and ground based weapons, and for satellites, and gun fire-control systems; message switching systems as well as complete message preparation and distribution terminals. Produces instrumentation and systems for photogrammetric structural measurement and aerial photography, primarily for government use.

DBA Systems, Inc.

Divisions and Subsidiaries:

DBA Systems, Inc.-Washington D.C. Division
11781 Lee Jackson Memorial Hwy.
Fairfax, Virginia 22033
(703) 591-0800

Imaging Systems Division
Electronic Systems Division
Computer Science Division
Photogrammetric Services Division

MTL Systems, Inc.
3481 Dayton-Xenia Road
Dayton, Ohio 45431
(513) 426-3111

Produces digital image processing equipment, photographic laboratory automation and evaluation.

Dunn Instruments, Inc.
544 Second Street
San Francisco, California 94107
(415) 957-1600

Interpretation Systems, Inc.
420 South Fairview Avenue
P.O. Box 978
Goleta, California 93117
(805) 967-2383

LogEtronics, Inc.
7001 Loisdale Road
Springfield, Virginia 22150
(703) 971-1400

LogEtronics AG
Industriestrasse 57
CH-8152 Glattbrugg
Switzerland
4118106610

LogEtronics GmbH
Dieselstrabe 10
6242 Kronberg 2
West Germany
4961736988

Luth International A/S
Merkurvej 2
4200 Slagelse
Denmark
03529100

Spatial Data Systems, Inc.
420 South Fairview Avenue
P.O. Box 978
Goleta, California 93117
(805) 967-2383

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DBAS (NASDAQ)

Number of Employees:

1984	800	1981	265
1983	N.A.	1980	180
1982	346		

Plant Footage:

1984	N.A.	1981	105,000
1983	N.A.	1980	65,000
1982	131,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income #
1984	$ 38,086,675	$ 2,445,330
1983	28,374,574	1,841,677
1982	24,646,745	1,343,587
1981	13,485,316	748,211
1980	10,699,672	601,279

	No. of Com. Shares ‡	Earn. per Share ‡#
1984	3,058,731	$ 0.80
1983	2,637,731	0.70
1982	2,233,406	0.60
1981	2,223,070	0.34
1980	1,950,033	0.31

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

# Including extraordinary gains of $18,000 ($0.01 per share) in 1982, $36,300 ($0.02 per share) in 1981, and $89,200 ($0.05 per share) in 1980.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	4-for-3 & 3-for-2
1982	—	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 22,587,964	$ 7.38
1983	13,405,232	5.08
1982	4,536,828	2.03
1981	3,171,531	1.43
1980	2,395,628	1.23

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended	1984	1983
Revenues	$ 38,086,675	$ 28,374,574
Cost of sales	32,940,340	25,361,110
Expenses	1,626,425	—
Interest expense	305,257	322,439
Other income	(549,659)	(392,652)
Eq. in earn. of affil.	(106,018)	—
Income before taxes	$ 3,870,330	$ 3,083,677
Income taxes	1,425,000	1,242,000
Net Income	$ 2,445,330	$ 1,841,677

* Included in Costs and Expenses, Depreciation: $736,757 in 1984 and $507,068 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 2,328,801	$ 1,721,461
Market. secur.	500,000	6,166,236
Accts. receiv., net	11,036,963	3,467,749
Earnings in excess of billings	3,560,744	3,388,819
Refund. inc. taxes	645,867	—
*Inventories	10,351,759	460,837
Other curr. assets	429,787	276,581
Current Assets	$ 28,853,921	$ 15,481,683
#Fixed assets	9,610,135	2,338,667
Other assets	6,046,281	22,056
Total Assets	$ 44,510,337	$ 17,842,406

Liabilities

Notes payable	$ 112,713	$ —
Long-term debt, curr.	361,355	251,171
Accts. payable	4,410,880	1,829,836
Accruals	3,271,823	896,328
Billings in exc. of costs	124,099	80,367
Income taxes payable	—	248,306
Def. taxes pay.	—	29,966
Other curr. liab.	1,339,692	476,332
Curr. Liabilities	$ 9,620,562	$ 3,812,306
Deferred taxes	3,229,895	141,270
Long-term debt	8,997,129	458,598
Deferred compens.	74,787	25,000
+ Common stock	387,058	300,663
Add. paid-in capital	15,248,608	8,570,937
Retained earnings	7,104,898	4,659,568
Currency trans. adj.	(24,214)	
Treasury stock	(128,386)	(125,936)
Total Liabilities & Shareholders' Equity	$ 44,510,337	$ 17,842,406

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.16	10.87
%Net Income to Revenues	6.42	6.49
%Net Income to Equity	10.83	13.74
Working Capital	$19,233,359	$11,669,377
Current Ratio	3.00	4.06
Shareholders' Equity	$22,587,964	$13,405,232

Decision Data Computer Corporation

400 Horsham Road
Horsham, Pennsylvania 19044-0996
(215) 674-3300

Officers: Richard J. Schineller, president & chief executive officer; Carl W. Stursberg, Jr., chairman of the board; Howard Bernard, sr. v.p., & corporate counsel; Edward J. Dougherty, sr. v.p.-operations; Raymond A. Castelhano, v.p.-corporate services; David L. Nettleton, executive v.p.; Larry Gerhard, sr. v.p.-business planning and development; Kenneth M. Schlenker, v.p.-finance; John J. Brennan, v.p.-product marketing; Derek M. James, v.p. engineering; Philip A. Verruto, v.p.-sales; Michael D. Brody, sr. v.p.-marketing; Guy Schaub, v.p.-international; Philip Terone, v.p.-corporate purchasing; William A. Hotmann, president-Decision Development Corporation; Richard E. Penn, president-International Computerize Telemarketing, Inc.; William A. Catania, president-Decision Development Corporation; Joel F. Sussman, treasurer; Vincent M. Dadamo, corporate secretary; John G. Cannon, controller.

Directors: Howard Bernard, Carl W. Stursberg, Jr.*, Dause L. Bibby, Milton Schwartz*, Richard J. Schineller*, John M. Armstrong, Frank E. Lane, Emil R. Rogers, Richard W. Sonnenfeldt.

* Member of the Executive Committee.

Areas of Work: Engaged in the design, manufacture, sale, lease and maintenance of data entry equipment, data communications & display systems, computer peripherals and peripheral subsystems.

Subsidiaries:

Decision Data Computer International Ltd.
Decision Data Leasing Corporation
Decision Data Properties Corporation
Decision Data Computer Sales Corporation
International Computerized Telemarketing, Inc.

Decision Data Computer International, S.A.
15 Rue de l'Hospital
1701 Fribourg, Switzerland

Decision Data Computer (Canada) Ltd.
Montreal, Quebec; Toronto, Ontario; Vancouver, British Columbia

Decision Data Computer (Belgium) S.A.
Avenue E. De Mot 10
B 1050 Brussels, Belgium

Decision Data Computer (G.B.) Ltd.
London and Manchester, England

Decision Data Computer, S.A.
Paris, France

Decision Data Computer GmbH
Frankfurt, Hamburg, Hanover, Munich and Stuttgart, West Germany.

Acquisition(s):

International Micor Ltd.

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DDCC (NASDAQ)

Number of Employees:

1984	N.A.	1981	920
1983	1,300	1980	790
1982	1,100		

Plant Footage:

1984	N.A.	1981	125,000
1983	174,000 sq. ft.	1980	125,000
1982	149,000		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 147,017,000	$ 7,986,000
1983	103,823,000	5,376,000
1982	74,319,000	3,809,000
1981	50,101,000	2,055,000
1980	43,606,000	3,038,000

	No. of Com. Shares	Earn. per Share # ‡
1984	7,797,762	$ 1.02
1983	7,650,743	0.72
1982	5,191,933	0.57
1981	5,032,718	0.37
1980	4,887,956	0.63

‡ Including extraordinary gains of $321,000 ($0.04 per share) in 1983, $1,051,000 ($0.16 per share) in 1982, $703,000 ($0.13 per share) in 1981 and $2,891,000 ($0.56 per share) in 1980.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 51,506,000	$ 6.61
1983	42,737,000	5.59
1982	21,805,000	4.20
1981	17,650,000	3.51
1980	15,399,000	3.15

Income Account *
(000's)

Year ended Nov. 30	1984	1983
Net sales	$ 106,273	$ 68,351
Other income	40,744	35,472
Revenues	$ 147,017	$ 103,823
Cost of revenues	88,627	63,230
Interest expense	254	602
Expenses	44,601	32,727
Income before taxes	$ 13,535	$ 7,264
Income taxes	5,549	2,209
Net Income	$ 7,986	$ 5,055
Extraord. gain	—	321
Net Income & extraord. gain.	$ 7,986	$ 5,376

* Included in Costs and Expenses, Depreciation and Amortization: $3,242,000 in 1984 and $2,204,000 in 1983.

Assets
(000's)

As of Nov 30	1984	1983
Cash	$ 5,067	$ 9,198
Receiv., net	25,988	15,107
*Inventories	36,965	22,160
Prepaid expenses	1,268	572
Def. inc. taxes	4,083	2,052
Current Assets	$ 73,371	$ 49,089
Receivables	3,301	3,877
Rental equip.	2,423	3,728
#Fixed assets	7,491	4,949
Defer. commissions	379	295
Total Assets	$ 86,965	$ 61,938

Liabilities
(000's)

Long-term debt, curr.	$ 324	$ 175
Accts. payable	14,103	8,075
Accruals	12,321	6,608
Income taxes	5,873	1,970
Curr. Liabilities	$ 32,621	$ 16,828
Long-term debt	1,287	937
Deferred income taxes	1,551	1,436
+ Common stock	784	769
Add. paid-in capital	37,830	36,475
Retained earnings	13,753	5,767
Treasury stock	(322)	(274)
For. curr. trans. adj.	(539)	—
Total Liabilities & Shareholders' Equity	$ 86,965	$ 61,938

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	9.21	7.00
%Net Income to Revenues	5.43	4.87
%Net Income to Equity	15.50	11.83
Working Capital	$40,750,000	$ 32,261,000
Current Ratio	2.25	2.92
Shareholders' Equity	$51,506,000	$ 42,737,000

Del Electronics Corp.

250 E. Sandford Boulevard
Mount Vernon, New York 10550
(914) 699-2000

Officers: Raymond Kaufman, chairman of the board & chief executive officer; Dominick R. Congiusti, president & gen. mgr.; Walter Young, v.p.-marketing; William Kaufman, v.p.-administration & secretary; John Pignataro, v.p.-development engineering.

Directors: Raymond Kaufman, chairman; Dominick R. Congiusti, Hugo J. DiGiovanni, Joseph M. Herman, Alfred Schoen, Irving Kaufman.

Areas of Work: Manufacturer of high voltage power supplies and accessory high voltage equipment for military, commercial and industrial purposes.

Transfer Agent(s):

Chase Manhattan Bank
1 Chase Manhattan Plaza
New York, New York 10081

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DELE (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 6,121,436	$ (36,207)
1983	5,708,817	(722,161)
1982	6,626,460	317,702
1981	6,851,861	407,857
1980	6,225,971	296,995

	No. of Com. Shares +	Earn per Share #
1984	807,158	$ —
1983	807,158	—
1982	807,158	0.39
1981	807,158	0.50
1980	807,158	0.37

(Loss)
+ Adjusted to reflect stock dividend.
# Based on the average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$ —	25%	—
1983	0.06	—	—
1982	0.12	—	—
1981	0.12	—	—
1980	0.12	—	—

# Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 1,411,064	$ 1.75
1983	1,447,605	1.79
1982	2,218,201	2.75
1981	1,997,369	2.45
1980	1,686,382	2.09

# Adjusted to reflect stock dividend.

Income Account *

Year ended July 31	1984	1983
Net sales	$ 6,121,436	$ 5,708,817
Cost of sales	4,766,930	5,441,646
Expenses	1,448,593	1,622,242
Other income	(18,880)	(16,910)
Loss before taxes	$ (75,207)	$ (1,338,161)
Tax credit	(39,000)	(616,000)
Net Loss	$ (36,207)	$ (722,161)

* Included in Costs and Expenses, Depreciation: $33,410 in 1984 and $30,514 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 111,241	$ 178,696
Accts. receiv., net	1,043,182	1,069,247
*Inventories	1,224,321	1,229,482
Prepaid expenses	8,832	8,194
Income tax refund	124,920	537,911
Current Assets	$ 2,512,496	$ 3,023,530
#Fixed assets	125,284	158,695
Other assets	—	215,365
Total Assets	$ 2,637,780	$ 3,397,590

Liabilities

Notes payable	$ 300,000	$ 750,000
Accts. payable	298,609	602,248
Accruals	72,410	76,572
Accrued payroll	299,890	459,433
Payroll taxes	55,807	61,732
Curr. Liabilities	$ 1,026,716	$ 1,949,985
Note payable	200,000	—
+ Common stock	80,716	64,580
Add. paid-in capital	899,615	330,828
Retained earnings	430,733	1,052,197
Total Liabilities & Shareholders' Equity	$ 2,637,780	$ 3,397,590

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	5.00	4.64
Working Capital	$1,485,780	$1,073,545
Current Ratio	2.45	1.55
Shareholders' Equity	$1,411,064	$1,447,605

Designatronics Incorporated

55 South Denton Avenue
New Hyde Park, New York 11040
(516) 328-3330

Officers: Sol Schwartz, president; Joseph Rubenfeld, executive vice president and treasurer; Martin Hoffman, Frank Buchsbaum, senior vice presidents; Hitoshi Tanaka, vice president; Ronnie Sklarin, secretary.

Directors: Frank Buchsbaum, Martin Hoffman, Joseph Rubenfeld, Sol Schwartz, Reuben M. Siwek.

Divisions:

Sterling Instrument Division
New Hyde Park, New York 11040

Manufactures precision mechanical components, including precision gears, differentials, brakes, clutches, couplings, bearings and shafts.

Stock Drive Products Division
New Hyde Park, New York 11040

Manufactures and markets standard and designed-to-order small commercial-quality drive components.

Stock Model Parts Division
55 South Denton Avenue
New Hyde Park, New York 11040

Electro-mechanical training for schools as well as models for hobbyists.

Perfect Gear and Instrument Division
New Hyde Park, New York

Western Component Sales
9719 Mason Avenue
Chatsworth, California 91311

Subsidiaries:

Accusonic Systems Corporation

Manufactures speakers, headsets and microphones designed for use in severe environments, such as military, marine and avaiation applications.

United Products Company
1080 Garden State Road
Union, New Jersey 07083

Engaged in the manufacture of injection molded products for the electronic mechanical drive, medical packaging, and display industries.

Techno, Inc.
14 Crandall Ave.
Pompton Lakes, New Jersey 07442

Research and development of micro-computer controlled automation and robotics.

Designatronics International Sales Corp. (DISC)
New Hyde Park, New York 11040

Engaged in export activities for incorporated divisions as well as the products produced by other U.S. manufacturers.

Automatic Coil Corp.
455 East 10th Avenue
Hialeah, Florida 33010

Manufacturer of custom designed inductive components.

Automatic Coil Haiti, Inc., S.A.
Port-au-Prince, Haiti

Products manufactured include a complete line of IF-RF coils, toroids, baluns, bobbins and related windings in addition to specially engineered inductors, transformers, filters, discriminators, a wide range of electronic assemblies, and printed circuit board assemblies.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): American, Pacific

Ticker Symbol: DSG

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 18,691,227	$ 1,113,656
1983	15,921,065	1,099,622
1982	14,528,114	948,750
1981	13,510,192	870,363
1980	10,680,943	205,793

	No. of Com. Shares †	Earn. per Share ‡#
1984	2,310,832	$ 0.46
1983	2,148,984	0.50
1982	1,730,996	0.48
1981	1,712,041	0.46
1980	1,448,484	0.11

† Adjusted to reflect stock dividends and stock split.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.
‡ Including extraordinary charge of $123,155 ($0.07 per share) in 1980.

Revenues By Line of Business

	1984	1983
Electronic	$ 5,316,000	$ 4,750,000
Electromechanical & mechanical	13,375,000	11,171,000
Total	$ 18,691,000	$ 15,921,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	10%	3-for-2
1982	—	10%	—
1981	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 9,486,216	$ 4.11
1983	8,211,757	3.82
1982	4,200,030	2.43
1981	3,125,359	1.83
1980	2,211,454	1.53

‡ Adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 18,691,227	$ 15,921,065
Cost of sales	12,037,882	9,746,384
Expenses	5,204,468	4,283,178
Other income	(187,157)	(102,854)
Interest expense	113,378	249,235
Income bef. taxes	$ 1,522,656	$ 1,745,122
Income taxes	409,000	645,500
Net Income	$ 1,113,656	$ 1,099,622

* Included in Costs and Expenses, Depreciation and Amortization: $570,432 in 1984 and $460,398 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 310,124	$ 1,160,687
Accts. receiv. net	3,235,373	2,709,100
*Inventories	5,256,581	4,097,958
Prepaid expenses	539,817	289,378
Current Assets	$ 9,341,895	$ 8,257,123
#Fixed assets	2,015,744	2,061,932
Other assets	404,723	357,836
Total Assets	$ 11,762,362	$ 10,676,891

Liabilities

	1984	1983
Long-term debt, curr.	$ 108,884	$ 109,992
Accts. payable	556,006	734,428
Accruals	633,529	536,350
Income taxes	—	153,105
Other taxes	7,130	14,600
Curr. Liabilities	$ 1,305,549	$ 1,548,475
Long-term debt	617,682	626,724
Deferred comp.	220,000	180,000
Deferred inc. taxes	132,915	79,915
Other liab.	—	30,020
+ Common stock	95,827	85,256
Add. paid-in capital	7,019,181	4,889,081
Retained earnings	2,476,405	3,357,967
Treasury stock	(84,897)	(83,997)
Deferred value of restricted shares	(20,300)	(36,550)
Total Liabilities & Shareholders' Equity	$ 11,762,362	$ 10,676,891

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization
+ $0.04 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.15	10.96
%Net Income to Sales	5.96	6.91
%Net Income to Equity	11.74	13.39
Sales to Inventories	3.56	3.89
Working Capital	$8,036,346	$6,708,648
Current Ratio	7.16	5.33
Shareholders' Equity	$9,486,216	$8,211,757

Detection Systems, Inc.

130 Perinton Parkway
Fairport, New York 14450
(716) 223-4060

Officers: Karl H. Kostusiak, president; David B. Lederer, exec. v.p., secretary & treasurer; Richard L. McMaster, v.p.-sensor engineering; Frank J. Ryan, controller; James R. Berube, v.p.-syst. engineering.

Directors: Karl H. Kostusiak, David B. Lederer, Wallace M. Juechter, William Manning, Edward C. McIrvine.

Areas of Work: Designs, manufactures, and markets electronic instrumentation and control equipment for the security and energy conservation industries. The Company's product line includes: electronic intrusion detectors, alarm control equipment, and microprocessor-based energy management equipment.

Transfer Agent(s):

Chase Lincoln First Bank, N.A.
Lincoln First Tower
Rochester, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DETC (NASDAQ)

Number of Employees:

1984	154	1981	180
1983	220	1980	158
1982	194		

Plant Footage.

1984	N.A.	1983	84,000 sq. ft.

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1985	$ 8,608,000	$ (908,000)
1984	9,329,000	(873,000)
1983	9,341,000	293,000
1982	11,012,000	1,270,000
1981	9,247,196	1,060,219

	No. of Com. Shares †	Earn. per Share #
1985	1,876,332	$ —
1984	1,870,707	—
1983	1,864,926	0.15
1982	1,848,386	0.68
1981	1,643,551	0.63

(Loss)
† Adjusted to reflect stock splits.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	—
1983	—	—	—
1982	—	—	3-for-2
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 6,899,913	$ 3.68
1984	7,798,891	4.17
1983	8,588,622	4.61
1982	8,264,147	4.47
1981	3,201,615	1.95

† Adjusted to reflect stock splits.

Income Account *

Year ended March 31	1985	1984
Net sales	$ 8,607,750	$ 9,328,776
Cost of sales	7,255,919	8,096,707
Expenses	2,745,880	2,956,605
Interest income	(131,062)	(230,356)
Interest expense	357,991	370,947
Loss before taxes	$ (1,620,978)	$ (1,865,127)
Tax credit	(713,000)	(992,000)
Net Loss	$ (907,978)	$ (873,127)

* Included in Costs and Expenses, Depreciation and Amortization: $540,470 in 1985 and $473,526 in 1984.

Assets

As of March 31	1985	1984
Cash	$ 158,067	$ 30,584
Short-term invest.	1,598,523	1,005,582
Accts. receiv., net	1,128,587	1,353,866
*Inventories	2,482,735	3,858,080
Inc. tax refund	350,900	1,115,200
Deferred inc. taxes	—	193,600
Prepaid expenses	65,336	42,544
Current Assets	$ 5,784,148	$ 7,599,456
#Fixed assets	2,345,033	2,501,430
Prop. under cap. lease	3,568,051	3,692,981
Deferred debt issue	113,476	123,492
Land held for sale	238,747	238,747
Total Assets	$ 12,049,455	$ 14,156,106

Liabilities

Long-term debt, curr.	$ 282,965	$ 281,559
Accts. payable	243,589	400,076
Accruals	504,353	876,102
Curr. Liabilities	$ 1,030,907	$ 1,557,737
Convert. deben.	1,000,000	1,000,000
Oblig. under cap. leases	2,996,235	3,252,478
Deferred inc. taxes	122,400	547,000
+Common stock	93,914	93,633
Add. paid-in capital	5,258,936	5,250,217
Retained earnings	1,547,585	2,455,563
Treasury stock	(522)	(522)
Total Liabilities & Shareholders' Equity	$ 12,049,455	$ 14,156,106

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

Sales to Inventories	3.47	2.42
Working Capital	$4,753,241	$6,041,719
Current Ratio	5.61	4.88
Shareholders' Equity	$6,899,913	$7,798,891

The Dewey Electronics Corporation

27 Muller Road
Oakland, New Jersey 07436
(201) 337-4700

Officers: Gordon C. Dewey, president; Frances Dommeleers, v.p.-administration; Mark L. Hyland, v.p.-operations; John J. Conlan, treasurer; John G. McQuaid, secretary.

Directors: Frances D. Dewey, Gordon C. Dewey, Peter Eustis, John G. McQuaid, Alexander A. Cameron, Jr., Millard F. West, Jr., James A. Newman.

Areas of Work: The Corporation develops and produces digital systems, nuclear sensors, microwave, sonar, communications and special purpose equipment. The Pitometer Log division also manufactures ship speed and distance measuring instrumentation.

Subsidiary:

Pitometer Log Corporation
27 Muller Road
Oakland, New Jersey 07436
(201) 337-4700

Manufacturer of ship speed and distance measuring instrumentation.

HEDCO Division

Designs, manufactures and markets snowmaking machinery.

Transfer Agent(s):

Harris Trust Company of New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DEWY (NASDAQ)

Sales and Earnings

	Revenues	Net Income †
1984	$ 15,772,633	$ 489,898
1983	9,255,575	650,436
1982	6,356,757	349,446
1981	4,637,576	(231,508)
1980	5,897,945	212,975

	No. of Com. Shares +	Earn per Share ‡†
1984	1,339,208	$ 0.37
1983	1,323,941	0.49
1982	1,307,333	0.26
1981	1,307,333	—
1980	1,304,655	0.16

† Including extraordinary loss of $206,163 ($0.15 per share) in 1984.
(Loss)
+ Adjusted to reflect stock splits.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Electronic products	$ 14,183,000	$ 7,486,000
Snowmaking equipment	1,590,000	1,770,000
Total	$ 15,773,000	$ 9,256,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	—	3-for-2
1983	—	—	—
1982	—	—	3-for-2
1981	—	—	—
1980	0.10	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 3,771,511	$ 2.82
1983	3,271,356	2.47
1982	2,605,271	1.99
1981	2,255,825	1.73
1980	2,481,713	1.90

+ Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Revenues	$ 15,772,633	$ 9,255,575
Cost of revenues	12,459,270	6,547,280
Expenses	1,735,487	1,267,389
Interest expense	244,032	145,969
Interest income	(16,717)	(12,462)
Income before taxes	$ 1,350,561	$ 1,307,399
Income taxes	654,500	656,963
Net Income	$ 696,061	$ 650,436
Extraord. loss	(206,163)	—
Net Income & extraord. loss	$ 489,898	$ 650,436

* Included in Costs and Expenses, Depreciation and Amortization: $193,527 in 1984 and $124,539 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 89,414	$ 332,244
Accts. & notes receiv., net	1,399,498	764,675
Contract costs	4,281,640	2,014,986
*Inventories	1,529,587	1,117,785
Prepaid expenses & other assets	694,119	81,436
Current Assets	$ 7,994,258	$ 4,311,126
Install. receiv.	—	16,450
#Fixed assets	2,474,003	1,975,437
Intangibles	213,471	239,610
Total Assets	$ 10,681,732	$ 6,542,623

Liabilities

Mortg. note payable, curr.	$ 37,969	$ 34,713
Accts. payable	2,397,424	715,761
Accruals	291,657	207,972
Customer deposits	5,782	5,782
Income taxes	285	297,847
Deferred income taxes	1,325,888	580,765
Curr. Liabilities	$ 4,059,005	$ 1,842,840
Deferred income taxes	182,443	171,684
Mortg. note payable	2,668,773	1,256,743
+Common stock	16,934	11,291
Add. paid-in capital	2,835,307	2,842,590
Retained earnings	1,439,952	960,905
Treasury stock	(520,682)	(543,430)
Total Liabilities & Shareholders' Equity	$ 10,681,732	$ 6,542,623

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	8.56	14.13
%Net Income to Revenues	4.41	7.03
%Net Income to Equity	18.46	19.88
Working Capital	$3,935,253	$2,468,286
Current Ratio	1.97	2.34
Shareholders' Equity	$3,771,511	$3,271,356

Dexon, Inc.

4915 West 35th Street
Minneapolis, Minnesota 55416
(612) 927-5671

Dexon, Inc.

Officers: John H. Sandbo, chairman, president, treasurer & chief executive officer; Mary M. Smith, secretary; H. Dean Bettcher, v.p.-marketing.

Directors: John H. Sandbo, Clarence E. Westin, Joe Holt, D.J. Ekberg, David Croonquist.

Areas of Work: Engaged in the design and manufacture of ultra-clean air systems and wet process work stations and quartz tube cleaners which are used in the manufacture of integrated circuits.

Transfer Agent(s):

Norwest Bank St. Paul, N. A.
55 E. Fith street
St. Paul, Minnesota 55101

Stock Exchange(s): NASDAQ

Ticker Symbol: DEXO

Number of Employees:

1984 . . . . . . N.A. 1983 70

Plant Footage:

1984 . . . . . . 70,000 sq. ft.

N.A. Not Available

Sales and Earnings

	Revenues	Net Income
1984	$ 4,690,000	$ (66,000)
1983	3,526,000	26,000
1982	3,020,000	75,000
1981	3,233,000	156,000
1980	2,678,000	219,000

	No. of Com. Shares	Earn. per Share #
1984	653,175	$ —
1983	633,925	0.04
1982	623,125	0.12
1981	620,325	0.25
1980	607,325	0.35

(Loss)

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,189,000	$ 1.80
1983	1,196,000	1.89
1982	1,159,000	1.86
1981	1,048,000	1.67
1980	856,000	1.38

Income Account *

Year ended Mar. 31	1984	1983
Net sales	$ 4,689,917	$ 3,526,443
Cost of sales	3,274,161	2,323,443
Expenses	1,359,627	1,012,227
Interest expense	177,109	178,971
Other expense (income)	(21,768)	1,704
Income (loss) before taxes	$ (99,212)	$ 10,098
Tax credit	(33,000)	(16,400)
Net Income (Loss)	$ (66,212)	$ 26,498

* Included in Costs and Expenses, Depreciation and Amortization: $196,591 in 1984 and $176,366 in 1983.

Assets

As of Mar. 31	1984	1983
Cash & short-term invest.	$ 9,293	$ 203,003
Funds held by trustee	75,255	75,082
Accts. receiv., net	1,386,034	502,450
*Inventories	555,602	505,457
Refund. inc. taxes	6,500	73,354
Other curr. assets	13,289	20,116
Current Assets	$ 2,045,973	$ 1,379,462
#Fixed assets	1,795,561	1,906,858
Other assets	34,219	—
Total Assets	$ 3,875,753	$ 3,286,320

Liabilities

Notes payable	$ 415,000	$ —
Long-term debt, curr.	66,596	58,500
Accts. payable	266,167	172,885
Compen. & rel. taxes	256,432	121,729
Accrued interest	74,141	62,812
Other liab.	110,894	36,623
Curr. Liabilities	$ 1,189,230	$ 452,549
Long-term debt	1,404,951	1,519,222
Deferred inc. taxes	92,200	118,700
+ Common stock	326,588	316,963
Add. paid-in capital	429,351	379,241
Retained earnings	433,433	499,645
Total Liabilities & Shareholders' Equity	$ 3,875,753	$ 3,286,320

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.29
%Net Income to Sales	—	0.75
%Net Income to Equity	—	2.22
Sales to Inventories	8.44	6.98
Working Capital	$856,743	$ 926,913
Current Ratio	1.72	3.05
Shareholders' Equity	$1,189,372	$1,195,849

Diagnostic/Retrieval Systems, Inc.

16 Thornton Road
Oakland, New Jersey 07436
(201) 337-3800

Officers: Leonard Newman, chairman of the board, chief executive officer & secretary; David E. Gross, president & chief operating officer; Jackson Kemper, Jr., v.p.-Washington Operations; Mark S. Newman, v.p.-finance, treasurer, principal financial officer and accounting officer; Lewis F. Ozimek, v.p.-contracts; Jack R. Williams, v.p.-research and technology; David M. Orth, v.p.-business development; John C. Dale, v.p.-engineering; John V. Giordano, controller.

Directors: Leonard Newman, chairman; David E. Gross, Theodore Cohn, Jack Rachleff, Andrew J. Tunick, Konrad W. Schoebel, Harold Rapaport.

Areas of Work: The Company designs, develops, manufactures and markets special purpose computer and display systems and high-density digital recording systems for use in anti-submarine warfare. These special purpose computer systems perform acoustic signal processing to detect, classify and locate submarines. The acoustic signal processing includes spectrum analysis, digital filtering and display. The company also produces digital recording systems for use in conjunction with its special purpose computers. The Company manufactures three antisubmarine warfare systems. These are the AN/SQR-17 and the Processor Unit 2 for the AN/SQR-18A, both sonar signal processing and display systems, and the high-density Digital Multiplexer Encoder/Decoder (DMED) recording system. The Company also manufactures display generators, scan converters and acoustic stimulation systems.

Divisions and Subsidiaries:

Diagnostic/Retrieval Systems of California, Inc.
17772 East 17th Street, Suite 208
Tustin, CA 92680

Precision Echo
3105 Patrick Henry Drive
Santa Clara, CA 95054

Designs and manufactures military-and-industrial-quality magnetic recording devices and compact ruggedized tape recorders, employed in antisubmarine warfare and reconnaissance systems.

Diagnostic/Retrieval Systems, Inc.
Washington Operations
1215 S. Jefferson Davis Highway
Suite 1004
Arlington, Virginia 22202

Transfer Agent(s):

Trust Company of New Jersey
35 Journal Square
Jersey City, New Jersey 07306

Stock Exchange(s): American

Ticker Symbol: DRS-A, DRS-B

Number of Employees:

1984 . . . . . . N.A. 1983 240

Plant Footage:

1984 . . . . . . N.A. 1983 . . . . . .65,000 sq. ft.

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income
1985	$ 33,435,000	$ 1,257,000
1984	24,327,225	2,973,931
1983	20,943,777	2,652,860
1982	18,040,189	2,081,698
1981	14,960,843	1,197,851

	No. of Com. Shares #	Earn. per Share #
1985	5,584,029	$ 0.23
1984	5,131,869	0.58
1983	4,665,398	0.57
1982	4,442,400	0.47
1981	3,556,425	0.34

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	3-for-2
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 23,446,000	$ 4.20
1984	20,161,331	3.93
1983	17,010,502	3.65
1982	7,455,676	1.68
1981	5,372,138	1.51

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account

Year ended Mar. 31	1985	1984
Revenues	$ 33,435,000	$ 24,327, 225
Costs and expenses	31,382,000	20,299,769
Interest expense	2,298,000	1,491,929
Interest income	(2,428,000)	(3,128,404)
Income before taxes	$ 2,183,000	$ 5,663,931
Income taxes	926,000	2,690,000
Net Income	$ 1,257,000	$ 2,973,931

Assets

As of Mar. 31	1985	1984
Cash & cert. of dep.	$ 27,885,000	$ 42,903,263
Accts. receiv., net	11,002,000	7,551,040
*Inventories	5,566,000	1,368,460
Prepaid expenses	2,632,000	1,688,088

Current Assets	$ 47,085,000	$ 53,510,851
#Fixed assets	5,677,000	3,103,316
Intangibles	6,684,000	—
Other assets	2,224,000	1,393,190
Total Assets	$ 61,670,000	$ 58,007,357

Liabilities

Long-term debt, curr.	$ 61,000	$ 61,593
Accts. payable	5,309,000	2,908,310
Income taxes	7,135,000	9,130,091
Curr. Liabilities	$ 12,505,000	$ 12,099,994
Long-term debt	25,719,000	25,746,032
+ Common stock	36,000	34,265
Add. paid-in capital	12,241,000	9,966,624
Retained earnings	11,434,000	10,177,432
Treasury stock	(249,000)	—
Unamort. restricted stock comp.	(16,000)	(16,990)
Total Liabilities & Shareholders' Equity	$ 61,670,000	$ 58,007,357

* At actual cost.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.53	23.28
%Net Income to Sales	3.76	12.22
%Net Income to Equity	5.36	14.75
Sales to Inventories	6.01	17.78
Working Capital	$34,580,000	$41,410,857
Current Ratio	3.77	4.42
Shareholders' Equity	$23,446,000	$20,161,331

Di-An Controls, Inc.

944 Dorchester Avenue
Boston, Massachusetts 02125
(617) 288-7700

Officers: Robert D. Kodis, president & treasurer; James B. Marcus, vice president, general counsel, asst. treasurer & clerk.

Directors: Robert D. Kodis, James B. Marcus, Peter Segel, Daniel Judge.

Areas of Work: Manufactures, sells, and services printer products, computer work stations, and the Movie Master System. These products are used for real-time on-line issuing of tickets, tags and labels in the fields of transportation, entertainment, sports, wagering, manufacturing, and financial exchanges.

Subsidiaries:

Di-An Service Corp.
Di-An Controls DISC Corporation

Transfer Agent(s):

American Transfer Company
99 Wall Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DICC (NASDAQ)

Plant Footage:

1984	72,000 sq. ft.	1981	72,000
1983	72,000	1980	72,000
1982	72,000		

Sales and Earnings

	Net Sales ‡	Net Income †
1984	$ 4,159,662	$ 210,855
1983	3,226,418	(73,747)
1982	2,953,377	(310,597)
1981	4,016,519	85,515
1980	3,925,745	198,081

	No. of Com. Shares	Earn. per Share #†
1984	826,405	$ 0.26
1983	826,405	—
1982	826,405	—
1981	826,405	0.10
1980	825,405	0.24

(Loss)
‡ Including service revenues.
† Including extraordinary credits of $67,230 ($0.08 per share) in 1984 and $31,000 ($0.04 per share) in 1980.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,291,525	$ 1.56
1983	1,080,670	1.31
1982	1,154,417	1.40
1981	1,465,014	1.77
1980	1,378,499	1.67

Income Account *

Year ended Dec. 31	1984	1983
Net sales & serv. revenues	$ 4,159,662	$ 3,226,418
Other income	89,588	11,391
Total Income	$ 4,249,250	$ 3,237,809
Cost of sales	3,213,697	2,586,147
Expenses	788,445	689,579
Interest expense	14,258	25,470
Inc. bef. taxes	$ 232,850	$ (63,387)
Income taxes	89,115	10,360
Net income (Loss)	$ 143,735	$ (73,747)
Extraord. gain	67,230	—
Net Income (Loss) & extraord. gain	$ 210,855	$ (73,747)

* Included in Costs and Expenses, Depreciation: $53,680 in 1984 and $47,680 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 10,330	$ 37,007
Temp. cash invest.	521,343	—
Accts. receiv., net	265,123	501,123
*Inventories	1,029,163	1,108,268
Prepaid expenses	10,089	11,623
Current Assets	$ 1,836,048	$ 1,658,021
#Fixed assets	104,729	147,140
Other assets	18,016	16,960
Total Assets	$ 1,958,793	$ 1,822,121

Liabilities

Notes payable	$ 170,000	$ 286,000
Long-term debt, curr.	18,531	17,026
Accts. payable	117,402	150,793
Accruals	172,961	99,864
Accrued payroll	83,800	75,643
Customer deposits	38,435	41,724
Inc. taxes	16,269	2,000
Curr. Liabilities	$ 617,398	$ 673,050
Long-term debt	49,870	68,401
+ Common stock	82,641	82,641
Add. paid-in capital	1,124,451	1,124,451
Retained earnings (deficit)	84,433	(126,422)
Total Liabilities & Shareholders' Equity	$ 1,958,793	$ 1,822,121

* At lower of est. cost (FIFO) or net realizable value.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.60	—
%Net Income to Sales	3.46	—
%Net Income to Equity	11.13	—
Working Capital	$1,218,650	$984,971
Current Ratio	2.97	2.46
Shareholders' Equity	$1,291,525	$1,080,670

DICOMED Corporation

9700 Newton Avenue South
Minneapolis, Minnesota 55431
(612) 887-7100

Officers: Wayne R. Huelskoetter, president; Larry E. Kramer, v.p.-international; William J. Cosgriff, secretary; Ronald D. Cox, treasurer; Gerald H. Baiel, v.p.-operations; James V. Kubiak, v.p.-marketing.

Directors: Frederick W. Lang, Frank C. Mullaney, George G. Walker, Jr., Wayne R. Huelskoetter, Willis K. Drake, Alan K. Ruvelson.

Areas of Work: Engaged in the development, design, production and marketing of digital image processing and computer graphics equipment, including image recorders, image display and image digitizer products.

Transfer Agent(s):

First Trust Company of St. Paul
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DCOM (NASDAQ)

Number of Employees:

1983	150	1982	107

Sales and Earnings

	Net Sales	Net Income ‡
1983	$ 19,220,384	$ 1,605,767
1982	10,658,091	974,376
1981	7,400,095	701,568
1980	5,400,047	562,416
1979	4,101,448	355,741

	No. of Com. Shares +	Earn. per Share #‡
1983	3,844,891	$ 0.45
1982	3,028,585	0.32
1981	3,011,377	0.26
1980	1,833,111	0.31
1979	1,132,210	0.25

‡ Including extraordinary gains of $216,000 ($0.16 per share) in 1980 and $83,000 ($0.07 per share) in 1979.
+ Adjusted to reflect stock splits.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	3-for-2
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-2‡

‡ Declared April 14, 1981.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 21,179,629	$ 5.51
1982	10,923,907	3.61

1981	9,900,840	3.29
1980	4,012,281	2.19
1979	635,606	0.56

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 19,220,384	$ 10,658,091
Cost of sales	9,668,860	6,073,968
Expenses	7,126,806	3,635,111
Interest income	(481,049)	(480,364)
Income before taxes	$ 2,905,767	$ 1,429,376
Income taxes	1,300,000	455,000
Net Income	$ 1,605,767	$ 974,376

* Included in Costs and Expenses, Depreciation and Amortization: $575,950 in 1983 and $247,454 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 15,215,833	$ 3,393,594
Acct. receiv., net	7,546,776	4,668,226
*Inventories	6,225,282	3,319,410
Prepaid expenses & deposits	85,030	161,400
Current Assets	$ 29,072,921	$ 11,542,630
#Fixed assets	3,759,132	1,727,750
Total Assets	$ 32,832,053	$ 13,270,380

Liabilities

Accts. payable	$ 1,366,667	$ 1,000,933
Accrued payroll	799,058	427,050
Other liabilities	252,781	30,558
Income taxes	330,408	90,790
Def. inc. taxes	1,696,000	646,000
Capitalized lease obligation, curr.	50,000	44,000
Curr. Liabilities	$ 4,494,914	$ 2,239,331
Capitalized lease oblig.	7,157,510	107,142
+Common stock	115,346	90,858
Add. paid-in capital	18,173,020	9,569,902
Retained earnings	2,891,263	1,285,496
For. curr. trans. adj.	—	(22,349)
Total Liabilities & Shareholders' Equity	$ 32,832,053	$ 13,270,380

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation.
+ $0.03 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.21	13.41
%Net Income to Sales	8.35	9.14
%Net Income to Equity	7.58	8.92
Sales to Inventories	3.09	3.21
Working Capital	$24,578,007	$ 9,303,299
Current Ratio	6.47	5.15
Shareholders' Equity	$21,179,629	$10,923,907

Diebold, Incorporated

818 Mulberry Road S.E.
Canton, Ohio 44711
(216) 489-4000

Officers: Raymond Koontz, chairman of the board & chief executive officer; Robert W. Mahoney, president & chief operating officer; Harry E. Parr, Jr., sr. v.p.-finance and treasurer and chief adm. officer; Walter Crow, sr. v.p.-marketing; Robert Barone, sr. v.p.-sales; Louis V. Bockius, group v.p.-manufacturing; Robert M. Yopko, group v.p.-customer service; Michael J. Mokodean, v.p.-legal; Charles B. Scheurer, v.p.-employee relations; Harry O. Seitzinger, v.p., controller & asst. treasurer; Charee Francis-Vogelsang, v.p. & secretary; Raymond E. Shanabruch, asst. treasurer; Roy J. Villella, Jr., asst. secretary.

Directors: Louis V. Bockius, Daniel T. Carroll, Harry E. Parr, Jr., Donald R. Gant, Raymond Koontz, Frank D. Robinson, W.R. Timken, Robert W. Mahoney, William F. Massy, Charles J. Pilliod, Jr.

Areas of Work: Engaged in the manufacture, sale, installation and service of systems and equipment sold to financial institutions. The company's products include security systems which utilize video surveillance, drive-up installations, and automated teller machines and related software.

Divisions and Subsidiaries:

Security Products
Electronics Products
Software Development & Systems Services

Retail Terminal Systems, Inc.
Hudson, Massachusetts
Manufactures and markets an electronic cash register/payment terminal.

Transfer Agent(s):

Marine Midland Bank, N.A.
Corporate Trust Operations
140 Broadway, 12th floor
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: DBD

Number of Employees:

1984	5,505	1981	6,416
1983	5,824	1980	5,906
1982	6,051		

Plant Footage:

1984	1,829,530 sq.ft.	1981	1,715,280
1983	1,754,530	1980	1,666,780
1982	1,819,280		

Sales and Earnings

	Net Sales	Net Income
1984	$ 474,057,000	$ 56,900,000
1983	445,917,000	49,142,000
1982	427,639,000	41,503,000
1981	385,891,000	29,036,000
1980	346,928,000	21,238,000

	No. of Com Shares ‡	Earn. per Share ‡
1984	13,082,000	$ 4.35
1983	13,042,000	3.77
1982	12,973,000	3.20
1981	12,918,000	2.25
1980	12,853,000	1.65

‡ Based on the average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	3-for-2
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 281,703,000	$ 21.51
1983	235,637,000	18.05
1982	195,017,000	14.99
1981	159,957,000	12.37
1980	137,257,000	10.65

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 474,057,000	$ 445,917,000
Cost of sales	277,087,000	272,859,000
Expenses	102,659,000	89,556,000
Oper. profit	$ 94,311,000	$ 83,502,000
Other income	16,504,000	12,368,000
Total	$ 110,815,000	$ 95,870,000
Interest expense	1,129,000	1,356,000
Debt disc. & exp.	29,000	30,000
Other charges	1,662,000	1,012,000
Income before taxes	$ 107,995,000	$ 93,472,000
Income taxes	51,095,000	44,330,000
Net Income	$ 56,900,000	$ 49,142,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,753,000 in 1984 and $5,488,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 11,067,000	$ 7,260,000
Cert. of deposit	66,216,000	78,874,000
Notes receiv., other	741,000	770,000
Accts. receiv., net	117,280,000	93,413,000
*Inventories & contracts in process	59,153,000	46,822,000
Prepaid expenses	7,867,000	6,446,000
Current Assets	$ 262,324,000	$ 233,585,000
Investments	69,910,000	52,169,000
#Fixed assets	44,741,000	40,897,000
Intangibles	6,138,000	3,981,000
Total Assets	$ 383,113,000	$ 330,632,000

Liabilities

Long-term debt, curr.	$ 2,610,000	$ 2,960,000
Accts. payable	19,668,000	16,570,000
Deferred income taxes	17,901,000	10,579,000
Income taxes	1,767,000	11,894,000
Accruals	46,868,000	38,355,000
Curr. Liabilities	$ 88,814,000	$ 80,358,000
Long-term debt	9,000,000	11,610,000
Deferred inc. taxes	3,596,000	3,027,000
+Common stock	27,682,000	20,735,000
Add. paid-in capital	58,054,000	63,507,000
Retained earnings	198,382,000	152,604,000
For. curr. trans. adj.	(1,800,000)	(1,038,000)
Treasury stock	(615,000)	(171,000)
Total Liabilities & Shareholders' Equity	$ 383,113,000	$ 330,632,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	'22.78	20.96
%Net Income to Sales	12.00	11.02
%Net Income to Equity	20.19	20.85
Sales to Inventories	8.01	9.52
Working Capital	$173,510,000	$153,227,000
Current Ratio	2.95	2.91
Shareholders' Equity	$281,703,000	$235,637,000

Digilog Inc.

1370 Welsh Road
Montgomeryville, Pennsylvania 18936
(215) 628-4530

Officers: Ronald G. Moyer, chairman of the board & president; Thomas M. Emory, Jr., v.p.-technology & secretary; Robert F. Onraet, v.p.-finance; Mark R. Jolliffe, v.p.-manufacturing; Roy D. Gemberling, v.p. & gen. mgr.-Network Control Division.

Directors: Ronald G. Moyer, Thomas M. Emory, Jr., Peter Taraborelli, L. John Ankney, John Vensel, Hilliard W. Paige.

Areas of Work: Develops, manufactures and markets a standard product line of video display data communications and diagnostic test equipment for industrial, commercial, and institutional end users; and customized intelligent programmable data terminals under contract to other original equipment manufacturers or systems users.

Divisions and Subsidiaries:

D.E.C. Electronic Corporation
Engaged in the manufacture of printed circuit boards.

Digilog Circuits, Inc.
Network Control Division

Transfer Agent(s):

Mellon Bank
Four Mellon Plaza, 16th Floor
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DILO (NASDAQ)

Number of Employees:

1984	N.A.	1982	152
1983	N.A.		

Plant Footage:

1984	N.A	1982	87,000 sq. ft.
1983	N.A.	1981	73,500

N.A. - Not Available.

Sales and Earnings ‡

	Net Sales	Net Income
1984	$ 15,199,560	$ (942,540)
1983	16,191,588	(1,030,516)
1982	15,865,995	393,560
1981	7,117,976	(413,888)
1980	8,365,529	680,863

	No. of Com. Shares #	Earn. per Share #
1984	1,608,776	$ —
1983	1,591,166	—
1982	1,569,839	0.25
1981	1,548,162	—
1980	1,374,474	0.50

(Loss)
‡ Restated to settle SEC allegation that the financial statements of Digilog Business Systems Inc. should have been consolidated with those of the company.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	25% & 20%	—

Common Stock Equity ×

	Total Equity	Equity Per Share ‡
1984	$ 5,250,380	$ 3.26
1983	6,114,929	3.84
1982	6,764,477	4.31
1981	6,394,635	4.13
1980	2,363,133	1.72

× Restated.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1984	1983 ‡
Net sales	$ 15,199,560	$ 16,191,588
Contract revenues	2,064,400	904,200
Total Income	$ 27,263,960	$ 17,095,788
Cost of sales	12,066,292	11,302,057
Selling expenses	3,465,287	3,134,259
Gen. & adm. expenses	1,583,715	1,805,957
Research & develop costs	1,625,977	1,494,139
Other expense (income)	(167,771)	630,892
Loss before taxes	$ (1,309,540)	$ (1,271,516)
Tax credit	(367,000)	(241,000)
Net Loss	$ (942,540)	$ (1,030,516)

* Included in Costs and Expenses, Depreciation and Amortization: $711,728 in 1984 and $536,994 in 1983.
‡ Restated.

Assets

As of Sept. 30	1984	1983 ‡
Cash	$ 67,266	$ 92,155
Short-term investments	1,528,045	1,400,029
Accts. receiv., net	3,325,036	3,958,032
Notes receivable	10,571	23,382
*Inventories	5,613,967	4,817,711
Prepaid expenses	213,085	309,557
Prepaid income taxes	306,983	364,662
Other curr. assets	99,503	57,871
Current Assets	$ 11,164,456	$ 11,023,399
Investments	962,906	229,250
#Fixed assets	2,748,351	2,458,614
Other assets	34,237	23,237
Total Assets	$ 14,909,950	$ 13,734,500

Liabilities

Notes payable	$ 3,950,000	$ 2,120,000
Long-term debt, curr.	131,900	723,067
Accts. payable	1,751,521	1,120,260
Accruals	646,005	694,782
Cap. lease oblig., curr.	28,083	45,494
Contract revenue	2,088,000	1,095,800
Income taxes payable	—	90,265
Deferred inc. taxes	—	136,040
Curr. Liabilities	$ 8,595,509	$ 6,025,708
Long-term debt	308,736	1,479,033
Cap. lease oblig.	84,148	112,230
Def. inc. taxes	19,777	2,600
Def. contract revenue	543,400	—
Other liabilities	108,000	—
+ Common stock	16,423	16,142
Add. paid-in capital	6,395,533	6,317,823
Warrants	150	150
Deficit	(1,101,740)	(159,200)
Treasury stock	(59,986)	(59,986)
Total Liabilities & Shareholders' Equity	$ 14,909,950	$ 13,734,500

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

Working Capital	$2,568,947	$4,997,691
Current Ratio	1.30	1.83
Shareholders' Equity	$5,250,380	$6,114,929

Digital Equipment Corporation

146 Main Street
Maynard, Massachusetts 01754
(617) 897-5111

Officers: Kenneth H. Olsen, president & director; Alfred M. Bertocchi, v.p.-finance & administration; George A. Chamberlain, III, v.p.-engineering and manufacture finance; Henry J. Crouse, v.p.-manufacturing-Europe; James G. Cudmore, v.p. and group manager; Sheldon A. Davis, v.p.-organization-Europe; William R. Demmer, v.p.-32-Bit Systems Engineering; Pier-Carlo Falotti, v.p.-European field service; William C. Hanson, v.p.-systems manufacturing; Winston R. Hindle, Jr., v.p.-corporate operations; William R. Johnson, Jr., v.p.-systems and clusters engineering; Waru D. MacKenzie, v.p. & group manager; John J. Shields, v.p. & group manager; Edward A. Kramer, v.p.-technical marketing; William H. Long, v.p.-corporate projects; Albert E. Mullin, Jr., v.p.-corp. relations; Jean-Claude Peterschmitt, v.p.-Europe; Richard Poulsen, v.p.-field service; F. Grant Saviers, v.p.-storage systems; Edward A. Schwartz, v.p., general counsel & secretary, Joel Schwartz, v.p.-educational marketing; Godfrey S. Shingles, v.p., managing director, United Kingdom Region; John F. Smith, v.p.-manufacturing and engineering; William G. Whitmore, v.p.-general international area; John L. Alexanderson, v.p.-peripherals and supplies group; Don K. Busiek, v.p.-corporate software services; Samuel H. Fuller, v.p.- research and architecture; David W. Grainger, v.p. & area mgr.-Western and Central states; Rose Ann Giordano, v.p.-large systems marketing; Robert Hughes, v.p.-business and office systems marketing; Jeffrey C. Kalb, v.p., group manager, Large Scale Integration; Delbert E. Lippert, v.p.-educational services; Charles E. Shue, v.p. & area mgr.-Northeast states; Peter J. Smith, v.p.-computer-aided engineering and manufacturing; Harvey L. Weiss, v.p. & area mgr.-Mid-Atlantic and states; Richard H. Yen, v.p.-Far East engineering and manufacturing; G. William Helm, treasurer.

Directors: Vernon R. Alden, Arnaud de Vitry, Kenneth H. Olsen, Dorothy E. Rowe, William H. McLean, Georges F. Doriot, Philip Caldwell.

Areas of Work: Designs, manufactures, sells and services computers and associated peripheral equipment, and related software and suppiies. The Company's products are used world wide in a variety of applications and programs, including scientific research and computation, communications, education, data analysis, industrial control systems, time sharing systems, commercial data processing systems, word processing, personal computing, health care, instrumentation, engineering and simulation.

Subsidiaries:

Digital Equipment, S.A. de C.V.
Apartado Postal 12-1009
Mexico 12, D.F.

Digital Equipment Corporation Oy
Soukantie 14
SF-02360 Sourra, Finland

Digital Equipment Comercio e Industria, Ltda.
Avenida Augusto Severo, 156-B
Lapa ZC06
20,000 Rio de Janeiro-Guanabara
Brazil

Computer Insurance Company Limited
Old Colony Insurance Ltd.
Reid House, P.O. Box 1826
Hamilton, 5-24 Bermuda

Digital Computer Hong Kong Limited
71 Catchick Street
13th floor, Green Island House
Kennedy Town, Hong Kong

Digital Computer Taiwan Limited
Taiwan, Republic of China

Digital Equipment Ireland Limited
Republic of Ireland

Digital Equipment Scotland Limited
Shiel House, Craigshill
G-B Livingston, West Lothian
Scotland

Digital Equipment B.V.
Digital Equipment International B.V.
KAAP Horndreef 38
P.O. Box 9064
Utrecht, Holland

Digital Equipment N.V.S.A.
108 Rue D'Arlon
B-1040 Bruxelles, Belgium

Digital Incorporated
Digital International Sales Corporation
DEC Ltd.
7 Habikuk Street
Tel Aviv, Israel

Digital Equipment Corporation International (Europe)
12, avenue des Mogines
Case Postale 510
1213 Petit-Lancy 1, Geneva
Switzerland

Digital Equipment Corp. A/S
Tonheimsveien 47
N-Oslo 5, Norway

Digital Equipment Corporation Ges. m.b.H.
Mariahilferstrasse 136
A-1150 Wien 15, Austria

Digital Equipment Corporation

Digital Equipment New Zealand, Limited
Suite 18, Hilton House
430 Queen Street
P.O. Box 2471
Auckland, New Zealand

Digital Equipment Taiwan Limited
13-2 Nan Hsin Li, Tachi
Taoyuan, Taiwan
Republic of China

Digital Equipment Corporation ApS
Hellerupvej 66
DK-2900 Helleup, Denmark

Digital Equipment of Canada Ltd.
100 Herzberg Road
Kanata, Ontario, Canada
(613) 592-5111

Digital Equipment International GmBH
Digital Equipment GmBH
D-8000 Munich 40
Wallensteinplatz 2, West Germany

Digital Equipment Australia Pty. Ltd.
123-125 Willoughby Road
P.O. Box 491-Crows Nest
New South Wales 2065, Australia

Digial Equipment Co. Limited
Fountain House, Butts Centre
Reading Berkshire RG 17 QN
United Kingdom

Digital Equipment France S.A.R.L.
2 Place Gustave Eiffel
Cidex L225
18, Rue Saarinen
94 533 Rungis, France

Digital Equipment AB
Englundsvaagen 7
S-17141 Solna, Sweden

Digital Equipment Corporation de Puerto Rico
P.O. Box 106
San German, Puerto Rico 00753
(809) 892-1946

Digital Equipment S.p.A.
Corso Garibaldi 49
1-20121 Milano, Italy

Digital Equipment Corp. S.A.
20, Quai Ernest Ansermet
Boite Postale 23
CH-1211 Geneva 8, Switzerland

Digital Equipment Corporation International
Maynard, Massachusetts

Digital Equipment Panama, Inc.
Digital Equipment Trinidad, Inc.
Digital Equipment Services, Inc.
Digital Growth, Inc.
Digital Realty Limited
Digital Equipment Singapore (PTE) Limited

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Boston*, Philadelphia*, Midwest*, Pacific, Cincinnati*

* Unlisted trading privileges.

Ticker Symbol: DEC

Number of Employees:

1984	86,000	1981	63,000
1983	73,000	1980	55,600
1982	67,300		

Plant Footage:

1984	N.A.	1981	17,000,000
1983	23,000,000 sq.ft.	1980	14,000,000
1982	21,000,000		

N.A.-Not Available.

Sales and Earnings

	Net Sales # (000's)	Net Income (000's)
1984	$ 5,584,426	$ 328,779
1983	4,271,854	283,622
1982	3,880,771	417,155
1981	3,198,099	343,297
1980	2,368,045	249,861

	No. of Com. Shares ‡	Earn. per Share ‡
1984	57,300	$ 5.73
1983	56,700	5.00
1982	55,400	7.53
1981	52,600	6.70
1980	47,200	5.45

# Includes services and other revenues.
‡ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 3,979,216	$ 69.45
1983	3,541,282	62.46
1982	3,164,464	57.30
1981	2,679,689	49.31
1980	1,651,749	36.25

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended	6/30/84	7/2/83
Net sales	$ 3,831,073	$ 2,867,428
Other income	1,753,353	1,404,426
Total revenues	$ 5,584,426	$ 4,271,854
Cost of sales	3,379,632	2,605,970
Expenses	1,810,225	1,302,956
Interest expense	35,096	13,078
Interest income	(41,477)	(61,195)
Income before taxes	$ 400,950	$ 411,045
Income taxes	72,171	127,432
Net Income	$ 328,779	$ 283,622

* Included in Costs and Expenses, Depreciation: $252,631,000 in 1984 and $203,214,000 in 1983.

Assets
(000's)

As of	6/30/84	7/2/83
Cash & temp. cash invest.	$ 476,150	$ 556,209
Accts. receiv., net	1,527,257	1,125,037
*Inventories	1,852,168	1,353,830
Prepaid expenses	57,030	38,484
Deferred taxes	169,308	127,799
Current Assets	$ 4,081,913	$ 3,201,359
#Fixed assets	1,511,340	1,339,726
Total Assets	$ 5,593,253	$ 4,541,085

Liabilities
(000's)

Loans payable	$ 13,181	$ 14,897
Long-term debt, curr.	1,374	1,371
Accts. payable	278,111	213,728
Accrued payroll	224,036	194,035
Def. rev. & adv.	126,454	103,523
Income taxes	312,871	221, 820
Other liabilities	124,517	74,993
Curr. Liabilities	$ 1,080,544	$ 824,367
Long-term debt	441,313	92,810
Deferred inc. taxes	92,180	82,626
+Common stock	57,811	56,357
Add. paid-in capital	1,610,575	1,509,781
Retained earnings	2,310,830	1,975,144
Total Liabilities & Shareholders' Equity	$ 5,593,253	$ 4,541,085

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	7.18	9.62
%Net Income to Revenues	5.89	6.64
%Net Income to Equity	8.26	8.01
Working Capital	$3,001,369,000	$2,376,992,000
Current Ratio	3.78	3.88
Shareholders' Equity	$3,979,216,000	$3,541,282,000

Diodes Incorporated

9957 Canoga Avenue
Chatsworth, California 91311
(818) 998-4445

Officers: W. Lloyd, president, treasurer & chairman of the board; C.A. Benak, vice president & secretary; A.F. Ottobre, David Lloyd, v.p.'s.

Directors: Wilbert Lloyd, chairman; C.A. Benak, Gerhard J. Borner, A.F. Ottobre, Ted G. Slate, T.H. Lee, Y.T. Wang, David Lloyd.

Areas of Work: Purchases, tests, and sells electronic semiconductor devices, including silicon rectifiers and rectifier assemblies.

Divisions and Subsidiaries:

Diodes Limited
16, The Broadway
Newbury, Berkshire, England

Atlantic Semiconductor Company
Diodes Sales Company
Nanticoke Semiconductor Company
Power Components Company
Rectifiers Company
Windsor Semiconductor Company

Transfer Agent(s):

Continental Stock Transfer
& Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): American

Ticker Symbol: DIO

Number of Employees:

1984	N.A.	1983	30

Plant Footage:

1984	N.A.	1983	21,500 sq. ft.

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 10,688,261	$ 1,276,709
1983	6,600,105	810,122
1982	6,158,620	(433,880)
1981	5,216,070	(47,572)
1980	4,829,890	(525,653)

	No. of Com. Shares	Earn. per Share + ‡
1984	1,854,076	$ 0.61
1983	1,846,076	0.44
1982	1,846,076	—
1981	1,846,076	—
1980	1,846,076	—

(Loss)
‡ Including extraordinary gains of $391,138 ($0.19 per share) in 1984 and $342,649 ($0.19 per share) in 1983.
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,530,293	$ 1.90
1983	2,242,729	1.21
1982	1,430,512	0.77
1981	1,865,565	1.01
1980	1,913,137	1.04

Income Account *

Year ended April 30	1984	1983
Net sales	$ 10,688,261	$ 6,600,105
Cost of sales	7,207,968	4,723,811
Expenses	1,917,555	1,295,788
Interest expense	3,682	66,282
Interest income	(85,027)	(34,080)
Gain on sale of property	—	(468,463)
Other expense	94,654	130,381
Income before taxes	$ 1,549,429	$ 886,386
Income taxes	663,858	418,913
Net Income	$ 885,571	$ 467,473
Extraordinary gain	391,138	342,649
Net Income & extraord. gain	$ 1,276,709	$ 810,122

*Included in Costs and Expenses, Depreciation and Amortization: $24,167 in 1984 and $21,894 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 1,553,356	$ 352,937
Invest. in KDI Corp.	—	218,520
Accts. receiv., net	1,832,538	1,256,337
*Inventories	2,281,625	1,581,167
Prepaid expenses	9,240	11,406
Deferred income taxes	21,591	—
Current Assets	$ 5,698,350	$ 3,420,367
# Fixed assets	123,074	104,594
Other assets	59,311	39,314
Receiv. from off. & emp.	—	107,699
Non-operating assets	150,000	250,000
Total Assets	$ 6,030,735	$ 3,921,974

Liabilities

Accts. payable	$ 2,088,579	$ 1,462,138
Accruals	205,622	152,932
Income taxes	206,241	39,202
Curr. Liabilities	$ 2,500,442	$ 1,654,272
Notes payable	—	24,973
+ Common stock	1,288,018	1,282,685
Add. paid-in capital	279,838	272,172
Retained earnings	2,129,832	853,123
Eq. adjust. from for. curr. trans.	(1,222)	922
Treasury stock	(166,173)	(166,173)
Total Liabilities & Shareholders' Equity	$ 6,030,735	$ 3,921,974

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	14.50	13.43
%Net Income to Sales	8.29	7.08
%Net Income to Equity	25.08	20.84
Sales to Inventories	4.68	4.17
Working Capital	$3,197,908	$1,766,095
Current Ratio	2.28	2.07
Shareholders' Equity	$3,530,293	$2,242,729

Dionics, Inc.

65 Rushmore Street
Westbury, New York 11590
(516) 997-7474

Officers: Bernard L. Kravitz, president; Sherman Gross, v.p., secretary & treasurer.

Directors: Bernard L. Kravitz, Sherman Gross, Sidney M. Gross, Solomon Berkowitz.

Areas of Work: Engaged in the development, manufacture and marketing of high-voltage integrated circuits used for driving gas discharge digital displays.

Subsidiary:

Dionics International, Inc. (DISC)
Manufactures discrete and integrated circuit electronic components, in chip or packaged form.

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income #
1983	$ 2,509,600	$ 162,100
1982	1,921,800	(214,000)
1981	3,395,100	452,800
1980	2,204,200	(201,600)
1979	2,438,600	62,300

	No. of Com. Shares +	Earn. per Share # +
1983	1,712,684	$ 0.09
1982	1,606,642	—
1981	1,774,780	0.26
1980	1,484,250	—
1979	1,467,626	0.04

(Loss)
# Including extraordinary gains of $61,000 ($0.03 per share) in 1983, $203,200 ($0.12 per share) in 1981 and $17,200 ($0.02 per share) in 1979.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	5-for-4
1980	—	—	—
1979	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1983	$ 864,300	$ 0.50
1982	608,100	0.38
1981	1,061,500	0.60
1980	549,600	0.37
1979	522,300	0.36

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 2,509,600	$ 1,921,800
Cost of sales	1,762,600	1,559,500
Expenses	551,900	560,800
Doubtful accts.	700	(13,900)
Interest expense	64,100	91,700
Other income	(31,800)	(62,300)
Income (loss) before taxes	$ 162,100	$ (214,000)
Income taxes	61,000	—
Net Income (Loss)	$ 101,100	$ (214,000)
Extraord. gain	61,000	—
Net Income (Loss) & extraord. gain	$ 162,100	$ (214,000)

* Included in Costs, and Expenses, Depreciation: $98,900 in 1983 and $106,600 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 379,100	$ 216,800
Accts. receiv., net	355,600	217,400
*Inventories	301,000	461,400
Other curr. assets	34,000	26,300
Current Assets	$ 1,069,700	$ 921,900
#Fixed assets	461,400	534,800
Deposits & other assets	10,600	16,200
Total Assets	$ 1,541,700	$ 1,472,900

Liabilities

Notes payable	$ —	$ 105,000
Accts. payable & accruals	215,400	200,500
Long-term debt, curr.	110,500	111,500
Curr. Liabilities	$ 325,900	$ 417,000
Long-term debt	351,500	447,800
+ Common stock	17,300	8,400
Add. paid-in capital	1,416,900	1,331,700
Deficit	(351,500)	(513,600)
Treasury stock	(218,400)	(218,400)
Total Liabilities & Shareholders' Equity	$ 1,541,700	$ 1,472,900

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.46	—
%Net Income to Sales	4.03	—
%Net Income to Equity	11.70	—
Sales to Inventories	8.34	4.17
Working Capital	$743,800	$504,922
Current Ratio	3.28	2.21
Shareholders' Equity	$864,300	$608,100

Docutel/Olivetti Corporation

5615 Highpoint
P.O. Box 222306
Irving, Texas 75062
(214) 258-8610

Mailing Address:

P.O. Box 222306
Dallas, Texas 75222

Officers: B.J. Meredith, chairman of the board; Giovanni Fei, chief executive officer; John Douglas, president & chief operating officer; Gayle C. Tinsley, sr. v.p.-corporate development and product programs; James A. Harper, v.p.-MIS/data processing; Valda C. Johnson, v.p. & treasurer; Richard D. Joyce, sr. v.p.-operations; Giulio Salvi, sr. v.p. & chief financial officer; Douglas E. Williamson, sr. v.p.-marketing; William F. Cronin, Jr., v.p.-consumer products and supplies; James A. Lorence, v.p.-national account and international marketing; Bill J. Turner, v.p.-manufacturing and field support.

Directors: George C. Briggs, B.J. Meredith, Elserino M. Piol, Vittorio Levi, Giovanni Fei, Simone Fubini, Yves-Andre Istel.

Docutel/Olivetti Corporation

Areas of Work: Develops and manufactures automated financial transaction systems of which the principal products are the Docuteller, an automated currency dispensing machine, and the Total Teller, an automated machine performing most of the routine tasks of a bank teller. Markets Olivetti teller terminals and financial systems. Also engaged in the manufacture and sale of acrylic sweaters and shirts through its Pine State Knitwear subsidiary.

Divisions:

Electronic Banking Systems Division
1750 North Collins Boulevard, Suite 200
Richardson, Texas 75080
(214) 235-2165

Pine State Knitwear Division
P.O. Box 631
Mount Airy, North Carolina 27030
(919) 789-9121

Transfer Agent(s):

RepublicBank Dallas, N.A.
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DCTL (NASDAQ)

Number of Employees:

1983	1,600

Sales and Earnings

	Net Sales +	Net Income ‡
1983	$ 221,825,000	$ (18,263,000)
1982	146,824,000	6,666,000
1981	77,031,000	6,966,000
1980	52,278,000	4,716,000
1979	34,880,000	4,247,000

	No. of Com. Shares	Earn. per Share ‡ #
1983	6,795,000	$ —
1982	5,290,000	1.26
1981	4,128,000	1.69
1980	3,383,000	1.39
1979	3,204,000	1.33

+ Of continuing operations includes service revenues.
‡ Including extraordinary credits of $890,000 ($0.26 per share) in 1980 and $1,889,000 ($0.59 per share) in 1979.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	5-for-4‡

‡ Declared Jauary 28, 1981.

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 91,210,000	$ 13.41
1982	109,344,000	16.11
1981	57,658,000	12.85
1980	26,706,000	7.77
1979	19,134,000	5.97

Income Account *

Year ended Dec. 31	1983	1982
Net sales & services	$ 221,825,000	$ 146,824,000
Cost of sales & serv.	172,690,000	98,279,000
Expenses	72,357,000	38,981,000
Other expense (income)	3,148,000	(1,005,000)
Income (loss) bef. taxes	$ (26,370,000)	$ 10,569,000
Income taxes (credit)	(8,107,000)	3,903,000
Net Income (Loss)	$ (18,263,000)	$ 6,666,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,705,000 in 1983 and $3,209,000 in 1982.

Assets

As of Dec. 31	1983	1982
Cash & cash equivalents	$ 17,868,000	$ 22,283,000
Accts. receiv., net	66,264,000	91,038,000
Receivables from affiliates	5,837,000	6,555,000
*Inventories	68,612,000	58,819,000
Inc. tax refund	5,875,000	—
Prepaid expenses	1,072,000	1,754,000
Curr. Assets	$ 165,528,000	$ 180,449,000
Trade accts. receiv.	9,885,000	—
#Fixed assets	25,999,000	26,395,000
Intangibles	12,868,000	12,743,000
Other assets	7,363,000	7,413,000
Total Assets	$ 221,643,000	$ 227,000,000

Liabilities

	1983	1982
Accts. payable	$ 29,769,000	$ 34,024,000
Notes payable	18,000,000	3,000,000
Accruals	4,407,000	4,896,000
Income taxes	—	559,000
Other liabilities	11,930,000	9,633,000
Long-term debt, curr.	15,799,000	11,606,000
Curr. Liabilities	$ 79,905,000	$ 63,718,000
Long-term debt	43,705,000	39,690,000
Obligations under capital leases	5,284,000	3,776,000
Deferred revenue	1,539,000	9,683,000
Deferred inc. taxes	—	789,000
+Common stock	680,000	679,000
Add. paid-in capital	92,158,000	92,030,000
Retained earnings (deficit)	(1,628,000)	16,635,000
Total Liabilities & Shareholder's Equity	$ 221,643,000	$ 227,000,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1983	1982
%Income bef. Taxes to Sales & Services	—	7.20
%Net Income to Sales and Services	—	4.54
%Net Income to Equity	—	6.10
Working Capital	$85,623,000	$116,731,000
Current Ratio	2.07	2.83
Shareholders' Equity	$91,210,000	$109,344,000

Dranetz Technologies, Inc.

(formerly Dranetz Engineering Laboratories, Inc.)

1000 New Durham Road
Edison, New Jersey 08818
(201) 287-3680

Officers: Abraham I. Dranetz, chairman of the board & president; Irving Backinoff, sr. v.p.; Ezra Mintz, Anthony W. Orlacchio, Robert O. Wilson, David Fuhrmen, Boselaw C. Biega, Joseph Martins, vice presidents; Benjamin Weiner, secretary; Joseph P. Lowrey, treasurer; Richard Dite, controller.

Directors: Abraham I. Dranetz, chairman; Irving Backinoff, Marianna Dranetz, Ezra Mintz, Benjamin Weiner, George S. Kariotis.

Areas of Work: Engaged in the conception, design, development, manufacture and marketing of precision electronic instrumentation for use in a variety of commercial, industrial, and governmental applications. Specific product areas include test equipment for phase angle measurement, test instrumentation for electric utilities, and power line monitoring equipment for data processing, communications, etc.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reader
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRAN (NASDAQ)

Number of Employees:

1984	250	1981	214
1983	234	1980	219
1982	216		

Plant Footage:

1984	75,000 sq. ft.	1981	75,000
1983	75,000	1980	75,000
1982	60,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 26,890,751	$ 4,683,641
1983	24,827,176	3,636,220
1982	18,577,216	2,140,823
1981	16,408,160	1,943,105
1980	15,562,406	2,082,188

	No. of Com. Shares ‡	Earn. per Share ‡
1984	4,698,300	$ 1.00
1983	4,677,699	0.78
1982	4,660,902	0.46
1981	4,642,744	0.42
1980	4,609,221	0.45

+ Includes other income.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.15	—	—
1983	0.05	50%	—
1982	0.03	50%	—
1981	0.03	—	—
1980	0.02	50%	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 17,687,618	$ 3.76
1983	13,629,320	2.91
1982	10,116,432	2.17
1981	8,120,875	1.75
1980	6,299,551	1.37

‡ Based on weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 26,890,751	$ 24,827,176
Other income	1,131,469	671,578
Total income	$ 28,022,220	$ 25,498,754
Cost of sales	12,851,807	12,656,628
Expenses	7,620,379	5,836,748
Income before taxes	$ 7,550,034	$ 7,005,378
Income taxes	2,866,393	3,369,158
Net Income	$ 4,683,641	$ 3,636,220

* Included in Costs and Expenses, Depreciation and Amortization: $256,408 in 1984 and $260,703 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 909,900	$ 1,388,429
Marketable securities	9,395,504	7,456,318
Accts. receiv., net	3,802,029	3,427,890

*Inventories	4,781,333	3,763,137
Prepaid expenses	45,166	35,018
Current Assets	$ 18,933,932	$ 16,070,792
#Fixed assets	835,053	698,828
Other assets	441,793	417,534
Total Assets	$ 20,210,778	$ 17,187,154
Liabilities		
Accts. payable	$ 778,659	$ 726,155
Accruals	882,595	654,576
Accrued inc. taxes	328,607	1,171,637
Note pay. & long-term debt, curr.	—	128,022
Dividends payable	235,299	—
Curr. Liabilities	$ 2,225,160	$ 2,680,390
Deferred inc. taxes	298,000	877,444
+ Common stock	470,751	469,233
Add. paid-in capital	833,963	756,043
Retained earnings	16,382,904	12,404,044
Total Liabilities & Shareholders' Equity	$ 20,210,778	$ 17,187,154

* At lower of cost (FIFO) or market.
# Less accumulated depreciation
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	28.08	28.22
%Net Income to Sales	17.42	14.65
%Net Income to Equity	26.48	26.68
Sales to Inventories	5.62	6.60
Working Capital	$16,708,772	$13,390,402
Current Ratio	8.51	6.00
Shareholders' Equity	$17,687,618	$13,629,320

Drexler Technology Corporation

2557 Charleston Road
Mountain View, California 94043
(415) 969-7277

Officers: Jerome Drexler, chairman of the board & president; Michael D. Craighead, v.p.-finance & administration, treasurer & asst. secretary; Charles W. Keller, Richard M. Haddock, v.p.'s.

Directors: Jerome Drexler, chairman; Arthur H. Hausman, Eugene Kleiner, William E. McKenna, Michael D. Craighead, Lesie L. Vadasz.

Areas of Work: Supplies microimaging products and services to semiconductor, computer, and electronics industries. Products include photoplates, photomasks, photochemicals, and related equipment for integrated circuit manufacture; and optical memory discs for laser recording and archival data storage and high-density data storage materials for computer optical memories.

Subsidiaries:

Microfab Systems Corporation
3960 Fabian Way
Palo Alto, California 94303
(415) 965-1750

Precision Photoglass, Inc.
2557 Charleston Road
Mountain View, California 94043
(415) 961-0700

Transfer Agent(s):

Crocker National Bank
P.O. Box 38005
Rincon Annex
San Francisco, California 94138

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRXR (NASDAQ)

Number of Employees:

1984	183	1981	174
1983	204	1980	183
1982	N.A.		

Plant Footage:

1984	111,400 sq. ft.	1982	N.A.
1983	136,000	1981	86,000

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1985	$ 17,671,000	$ 160,000
1984	17,045,000	728,000
1983	13,438,000	1,571,000
1982	13,795,000	1,535,000
1981	14,612,000	1,592,000

	No. of Com. Shares #	Earn. per Share #
1985	4,196,000	$ 0.04
1984	4,242,000	0.17
1983	4,138,000	0.38
1982	4,112,000	0.37
1981	3,352,000	0.47

# Based on the weighted average number of shares outstanding during the year adjusted to reflect stock split.

Revenues By Line of Business

	1985	1984	1983	1982
Photoplates & photochemicals	41%	39%	41%	47%
Photomasks	59	61	59	53
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	—
1983	—	—	—
1982	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1985	$ 26,236,000	$ 6.25
1984	25,670,000	6.05
1983	24,246,000	5.86
1982	22,329,000	5.43
1981	20,394,000	6.08

# Based on the weighted average number of shares outstanding during the year.

Income Account *

Year ended	3/29/85	3/30/84
Revenues:		
Prod. sales	$ 14,471,000	$ 14,860,000
License fees	3,200,000	2,185,000
Total revenues	$ 17,671,000	$ 17,045,000
Cost of revenues	12,547,000	11,939,000
Expenses	6,600,000	5,603,000
Interest income	(1,279,000)	(1,225,000)
Income before taxes	197,000	728,000
Tax credit	$ (357,000)	$ -
Net Income	$ 160,000	$ 728,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,952,000 in 1985 and $1,727,000 in 1984.

Assets

As of	3/29/85	3/30/84
Cash	$ 11,651,000	$ 12,136,000
Accts. receiv., net	1,855,000	2,713,000
*Inventories	1,486,000	1,168,000
Other curr. assets	338,000	288,000
Def. tax benefits	774,000	1,091,000
Interest receiv.	52,000	117,000
Current Assets	$ 16,156,000	$ 17,513,000
#Fixed assets	13,446,000	11,730,000
Other assets	444,000	367,000
Total Assets	$ 30,046,000	$ 29,610,000
Liabilities		
Accts. payable	$ 1,440,000	$ 1,365,000
Accrued payroll	507,000	557,000
Accruals	296,000	468,000
Current Liabilities	$ 2,243,000	$ 2,390,000
Deferred inc. taxes	1,567,000	1,550,000
+ Common stock	17,271,000	16,740,000
Retained earnings	8,965,000	8,930,000
Total Liabilities & Shareholders' Equity	$ 30,046,000	$ 29,610,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Revenues	0.91	4.27
%Net Income to Equity	0.61	2.84
Working Capital	$13,913,000	$15,123,000
Current Ratio	7.20	7.33
Shareholders' Equity	$26,236,000	$25,670,000

Ducommun Incorporated

611 West Sixth Street, Suite 2500
Los Angeles, California 90017
(213) 612-4200

Officers: Wallace W. Booth, chairman of the board & chief executive officer; David G. Schmidt, president; Robert A.K. Welch, v.p.-human resources; W. Donald Bell, sr. v.p. and president-Ducommun Electronics Group; H. Richard Byrne, v.p. & chief financial officer; Frederick N. Bailard, v.p., secretary & general counsel; Michael L. Laney, controller; H. Cannon Mathews, treasurer.

Directors: Wallace W. Booth*, Alan N. Ducommun*, Charles E. Ducommun*, Edmond G. Ducommun*, Arthur D. MacDonald, Charles W. Missler, Dale D. Myers, Richard J. Pearson, David G. Schmidt*, W. Donald Bell, H. Frederick Christie.

* Member of the Executive Committee.

Areas of Work: Engaged in the distribution of metals and electronic components. Produces reinforcing bar fabricating equipment.

Divisions and Subsidiaries:

Kierulff Electronics
2585 Commerce Way
Los Angeles, California 90040
(213) 725-0325

Engaged in the distribution of semi-conductors, tubes, resistors, capacitors, potentiometers, transformers, relays, switches, micro-circuits, electronic testing equipment and electronic production supplies; repair and calibration of electric and electronic instruments; manufacture of special and custom shunts, transformers toroids.

Metermaster Group

Metermaster/Los Angeles
5646 Jillson Street
Los Angeles, California 90040
(213) 685-4340

Calibrates and sells instruments and test equipment to specifications.

Air Distributors, Inc.
9120 Flint Street
Overland Park, Kansas 66214
(800) 255-3025

Ducommun Incorporated

R.G. Wallace Co., Inc.
2301 Del Amo Blvd.
Carson, California 90249
(213) 774-6050

1930 Junction Avenue
San Jose, California 95131
(408) 279-4560

Supplies specialized aircraft and electronic hardware and fasteners.

Airdrome Parts Company
3251 Airport Way
Long Beach, California 90806
(213) 426-9411

Manufactures and distributes precision hydraulic fittings and seals for use in commercial and military aircraft, ground support equipment and space programs.

Aerochem, Inc.
1885 N. Batavia Street
Orange, California 92667
(714) 637-4401

Specialist in the field of large scale, close tolerance chemical processes for the aerospace and military/commercial aircraft industries. Chemical milling processes are used to reduce the weight of structural components while maintaining the strength.

Acquisition(s):

Aircraft Hydro-Forming inc.

Designs and manufactures components for aircraft and aerospace industries.

Jay-El Products Inc.

Manufactures illuminated switches, switch assemblies and keyboard panels.

MTI Systems Corporation

Sells, leases and maintains integrated computer products and systems.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 30376
Los Angeles, California 90030

Stock Exchange(s): American, Pacific

Ticker Symbol: DCO

Sales and Earnings

	Net Sales #	Net Income
1984	$ 451,135,000	$ 11,060,000
1983	304,091,000	(1,717,000)
1982	216,660,000	3,010,000
1981	182,203,000	9,105,000
1980	164,645,000	6,704,000

	No. of Com. Shares +	Earn. per Share ‡
1984	3,282,461	$ 3.38
1983	3,250,525	—
1982	2,196,261	1.39
1981	2,145,935	4.24
1980	2,133,505	3.16

(Loss)
# Of continuing operations only.
+ Adjusted to reflect stock dividend.
‡ Based on the average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1984	1983
Electronics distrib.	$ 187,136	$ 137,430
Aerospace distr.	60,278	52,708
Other	37,229	41,078
Total	$ 284,643	$ 231,216

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.800	—	—
1983	0.725	—	—
1982	0.070	—	—
1981	0.070	—	—
1980	0.675	20%†	—

+ Adjusted to reflect stock dividend.
† Declared Jan., 1981.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 94,825,000	$ 28.89
1983	85,803,000	26.40
1982	53,825,000	24.51
1981	51,861,000	24.17
1980	44,103,000	20.67

+ Adjusted to reflect stock dividend.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 451,135	$ 304,091
Cost of sales	333,440	231,421
Expenses	88,500	58,436
Interest exp. (income)	8,495	(1,501)
Income before taxes	$ 20,700	$ 15,735
Income taxes	9,640	7,733
Inc. - cont. oper.	$ 11,060	$ 8,002
Loss - discont. oper.	—	(9,719)
Net Income (Loss)	$ 11,060	$ (1,717)

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 3,630	$ 1,146
Trade receiv., net	72,738	63,748
*Inventories	125,321	91,603
Notes & other receiv.	3,627	10,288
Def. inc. tax benefits	—	1,934
Other assets	1,552	772
Assets of discont. oper.	—	—
Current Assets	$ 206,868	$ 169,491
Long-term notes receiv.	25,320	23,217
#Fixed assets	40,756	31,952
Other assets	9,969	5,871
Assets of discont. oper.	1,730	685
Total Assets	$ 284,643	$ 231,216

Liabilities
(000's)

	1984	1983
Notes payable	$ 20,000	$ 13,822
Long-term debt, curr.	929	2,630
Accts. payable & accruals	43,104	42,926
Dividends payable	666	658
Deferred income taxes	4,855	—
Income taxes	—	2,333
Curr. Liabilities	$ 69,554	$ 62,369
Long-term debt	115,186	77,515
Deferred inc. taxes	4,698	4,979
Deferred credits	380	550
+Common stock	6,791	6,727
Add. paid-in capital	43,696	42,600
Retained earnings	45,966	37,491
Restricted stock awards	(1,628)	(1,015)
Total Liabilities & Shareholders' Equity	$ 284,643	$ 231,216

* At lower of cost or market. Steel, aluminum, brass and copper stated at LIFO; remainder at FIFO.
# Less accumulated depreciation and amortization.
+ $2 par value.

Statistical Summary

%Net Income to Equity	11.66	—
Sales to Inventories	3.60	3.32
Working Capital	$137,314,000	$107,122,000
Current Ratio	2.97	2.72
Shareholders' Equity	$ 94,825,000	$ 85,803,000

E.I. du Pont de Nemours & Company

1007 Market Street
Wilmington, Delaware 19898
(302) 774-1000

Officers: Edward G. Jefferson, chairman of the board; Richard E. Heckert, Ralph E. Bailey, vice chairmen; James F. Kearns, Harold E. May, H. Gordon Smyth, John D. Cullen, John J. Quindlen, John F. Shultz, Allen L. Cleveland, Marion L. Sharrah, sr. v.p's; Donald R. Clark, Elmer J. Grivetti, Samuel Schwartz, Charles R. Turvey, Floyd E. Ellis, Oswald Newell, Jr., Charles J. Meyers, Joseph M. Richards, exec. v.p.'s; John D. Cullen, William E. Buxbaum, Robert M. Aiken, David D. Mooberry, Nicholas Pappas, III, Robert J. Blair, Carl De Martino, Dale E. Wolf, John C. Metzger, Jr., Elwood P. Blanchard, John P. McAndrews, group v.p.'s; Constantine S. Nicandros, president-Conoco Petroleum operations; Bobby R. Brown, president-Conoco Coal operations.

Directors: Edward G. Jefferson*, chairman of the board; Irving S. Shapiro, Richard E. Heckert*, David K. Barnes*, H. Rodney Sharp, III, Robert C. Forney*, Andrew F. Brimmer, Margaret P. MacKimm, Norman A. Copeland, Joseph A. Dallas, Charles L. Brown, Gilbert E. Jones, Irenee du Pont, Jr., Edward B. du Pont, George P. Edmonds, Crawford H. Greenewalt, Edward R. Kane, Howard W. Johnson, William G. Simeral*, Charles R. Bronfman, Edgar M. Bronfman, Charles B. McCoy, Dean R. McKay, Ralph E. Bailey*, Louisa C. Duemling, Harold Fieldsteel, Edward Shapiro, Edgar S. Woolard, Jr.*, Constantine Nicandros, Wilfred Schmoe*.

*Member of the Executive Committee.

Areas of Work: Operations are divided into the following industrial segments: biomedical products; industrial and consumer products; fibers; polymer products; agricultural and industrial chemicals; petroleum exploration and production; petroleum refining, marketing and transportation; and coal. Biomedical products include clinical instruments and X-ray products used in medical diagnosis; prescription pharmaceuticals; radiopharmaceuticals and radioactive tracer chemicals; and biomedical instruments used principally in research. Industrial and consumer products include photographic products and systems for printing, engineering reproduction, data recording and micrographic markets; electronic products for high-density microcircuits, resistor networks and printed circuit boards; electronic connectors; chromium dioxide magnetic particles used in audio and video tapes and cassettes, and for data storage; finishes for the automotive and other industries; nonstick coatings, analytical instruments for research and industrial process monitoring; explosives; and sporting firearms and ammunition. Man-made fiber products consist of specialty fibers used in apparel, carpets, tire and aircraft component reinforcement, protective clothing, operating room apparel, packaging and road support, together with high-volume fibers for apparel and home fabrics, carpeting and industrial applications. Polymer products include plastic resins, elastomers, and films and other fabricated products. Agricultural chemical operations include worldwide manufacture and sales of fungicides, herbicides and insecticides for crop protection. Industrial chemicals comprise a range of such commodity and specialty products as pigments, organic chemicals, fluorochemicals, petroleum additives, mineral acids and other inorganics. Principal petroleum products include gasoline, jet fuel, diesel fuel, heating oil, fuel oil, asphalt, petroleum coke, natural gas, liquids and chemical feedstocks.

Industrial Departments:

Biochemicals Products Department
Finishes & Fabricated Products Department
Chemicals and Pigments Department
Petrochemicals Department
International Department
Photo Systems & Electronic Products Department
Polyner Products Department
Textile Fibers Department
Agricultural Chemicals Department

Subsidiaries:

Du Pont International Sales Corporation
Wilmington, Delaware

Conoco Delaware, Inc.

E.I. du Pont de Nemours & Company

Conoco Inc.

New England Nuclear Corporation

Remington Arms Company, Inc.
Bridgeport, Connecticut

Colorquim, S.A. de C.V.
Mexico, D.F., Mexico

Du Pont Taiwan Ltd.
Taipei, Taiwan

Du Pont Taiwan Chemicals Ltd.
Taipei, Taiwan

Du Pont (Australia) Limited
Sydney, Australia

Du Pont (New Zealand) Ltd.
New Zealand

Du Pont, S.A. de C.V.
Mexico, D.F., Mexico

Conoco (U.K.) Limited
London, England

Du Pont de Colombia, S.A.
Bogota, Colombia

Du Pont de Nemours (Belgium)
Brussels, Belgium

Brandywine Assurance Company Ltd.
Bermuda

Quimica Du Pont Centroamerica, S.A.
Guatemala

Du Pont de Nemours (Deutschland) GmbH
Dusseldorf, Germany

Du Pont de Nemours International S.A.
Carouge, (Geneva), Switzerland

Du Pont de Nemours Italiana S.p.A.
Milan, Italy

Du Pont de Nemours (Luxembourg) S.A.
Contern, Luxembourg

Du Pont Photolux, S.A.
Luxembourg

Du Pont de Nemours (Nederland) B.V.
Dordrecht, Netherlands

Lacas y Pinturas, S.A.
Spain

Du Pont (Hong Kong) Ltd.
Hong Kong

Du Pont de Nemours Nordiska A.B.
Marsta, Sweden

Du Pont de Venezuela C.A.
Caracas, Venezuela

Du Pont do Brasil S.A.
Sao Paulo, Brazil

Du Pont Far East Inc.
Wilmington, Delaware

Comercial Quimica Peru S.A.
Lima, Peru

Du Pont de Nemours (France) S.A.
Paris, France

Du Pont Japan Limited
Japan

Du Pont (Singapore) Electronics Pvt., Ltd.
Singapore

Affiliated Companies:

La Domincia, S.A. de C.V. (49% owned)
Mexico, D.F., Mexico

Desarrollo Quimico Industrial, S.A. (50% owned)
Madrid, Spain

Allied Eneabba Ltd. (50%)
Australia

Du Pont Canada, Inc. (74.88% owned)
Montreal, Quebec, Canada

Mitsui Fluorochemicals Company, Ltd. (50% owned)
Tokyo, Japan

Mitsui Polychemicals Company, Ltd. (50% owned)
Tokyo, Japan

Pigmentos Y Productos Quimicos, S.A. de C.V. (49% owned)
Mexico, D.F., Mexico

Showa Neoprene K.K. (50% owned)
Tokyo, Japan

Tetraetilo de Mexico, S.A. (40% owned)
Mexico, D.F., Mexico

Dupont-Toray Co. Ltd. (50% owned)
Tokyo, Japan

Quimic a Fluor, S.A. de C.V. (32.9% owned)
Mexico

Nylon de Mexico, S.A. (40% owned)
Mexico

Butachimie (50% owned)
France

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

E.I. du Pont de Nemours & Company
1007 Market Street
Wilmington, DE 19898

Stock Exchange(s): New York

Ticker Symbol: DD

Number of Employees:

1984	N.A.*	1981	177,235
1983	159,231	1980	135,900
1982	165,013		

*N.A. - Not Available.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 35,915,000	$ 1,431,000
1983	35,378,000	1,127,000
1982	33,331,000	894,000
1981	22,810,000	1,401,000
1980	13,744,000	706,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	239,482,000	$ 5.93
1983	237,767,000	4.70
1982	235,707,000	3.75
1981	184,260,000	7.55
1980	154,990,000	4.49

‡ Based on the average number of common shares outstanding.

Revenues By Line of Business

	1984 (millions)	1983 (millions)
Petroleum	18,482	18,668
Coal & minerals	1,572	1,407
Agricultural & industr. chem.	3,704	3,534
Polymer prods.	3,641	3,401
Fibers	4,660	4,772
Industr. & cons. prods.	2,831	2,546
Biomedical prods.	1,025	1,050
Total	$ 35,915	$ 35,378

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.90	—	—
1983	2.50	—	—
1982	2.40	—	—
1981	2.75	—	—
1980	2.75	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1984	$ 11,996,000	$ 50.06
1983	11,235,000	47.04
1982	10,613,000	44.87
1981	10,221,000	43.60
1980	5,707,000	36.77

‡ After allowing for preferred stock at stated values.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 35,915,000	$ 35,378,000
Other income	303,000	391,000
Total Income	$ 36,218,000	$ 35,769,000
Cost of sales	23,983,000	24,309,000
Expenses	2,024,000	1,985,000
Deprec., deplet. & amort.	1,736,000	1,719,000
Explor. expenses	524,000	478,000
Res. & develop. expenses	1,097,000	966,000
Interest expense	565,000	583,000
Taxes	2,345,000	2,311,000
Income before taxes	$ 3,944,000	$ 3,418,000
Income taxes	2,513,000	2,291,000
Net Income	$ 1,431,000	$ 1,127,000

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable securities	$ 674,000	$ 1,221,000
Accts. & notes receiv., net	3,814,000	3,799,000
*Inventories	3,792,000	3,704,000
Prepaid expenses	371,000	338,000
Current Assets	$ 8,651,000	$ 9,062,000
Investments	399,000	439,000
#Fixed assets	14,409,000	14,261,000
Other assets & investments	639,000	670,000
Total Assets	$ 24,098,000	$ 24,432,000

Liabilities
(000's)

Short-term borrowings	$ 602,000	$ 390,000
Accts. payable	2,445,000	2,529,000
Accruals	1,560,000	1,310,000
Income taxes	570,000	830,000
Curr. Liabilities	$ 5,177,000	$ 5,059,000
Long-term debt	3,421,000	4,576,000
Cap. lease oblig.	104,000	157,000
Other liabilities	1,458,000	1,846,000
Minority interest	78,000	73,000
Deferred inc. taxes	1,627,000	1,249,000
+ Preferred stock:		
$4.50 series	167,000	167,000
$3.50 series	70,000	70,000
+ + Common stock	399,000	398,000
Add. paid-in capital	4,455,000	4,421,000
Retained earnings	7,142,000	6,416,000
Total Liabilities & Shareholders' Equity	$ 24,098,000	$ 24,432,000

* Valued at LIFO cost.
# Less accumulated depreciation and obsolescence.
+ No par value; cumulative.
+ + $1.66⅔ par value.

Statistical Summary

%Income bef. Taxes to Sales	10.98	9.66
%Net Income to Sales	3.98	3.19
%Net Income to Equity	11.70	9.82
Sales to Inventories	9.47	9.55
Working Capital	$ 3,474,000,000	$ 4,003,000,000
Current Ratio	1.67	1.79
Shareholders' Equity	$12,233,000,000	$11,472,000,000

Dynalectron Corporation

1313 Dolley Madison Boulevard
McLean, Virginia 22101
(703) 356-0480

Officers: Jorge Carnicero, chairman of the board; Merlon F. Richards, vice-chairman and chief executive officer; Daniel R. Bannister, president; G.W. Walther Ewalt, exec. v.p.; John P. Schelling, sr. v.p. & general counsel; T. Eugene Blanchard, sr. v.p. and chief financial officer; Paul F. Rardin, v.p.-Business Development; James H. Duggan, sr. v.p.-Aviation & Technical Services; Gerald A. Dunn, v.p. & controller; Randolph S. Nunnally, v.p.-Dynatech Divisions; David L. Reichardt, v.p.-Dynalectron, president-Dynalectric Company; Jack E. Vestal, v.p.-Government Services, TSG; Richard A. Hutchinson, treasurer; Earl W. Holdgraf, sr. v.p., technical advisor; David F.G. Larkman, sr. v.p.-other construction group; William H. Cartwright, v.p.-strategic planning; James Stuart, v.p.-risk mgt.; H. Montgomery Hougan, corporate secty. and general counsel; Robert G. Wilson, gen'l auditor.

Directors: Jorge Carnicero*, chairman; James D. Berry, Charles G. Gulledge*, John H.F. Haskell, Jr., Oliver G. Haywood, Seymour S. Mintz*, Raymond J. Mulligan, Edwin C. Phillips, Merlon F. Richards*, Sterling D. Colton, C. Robert Powell.

* Member of the Executive Committee.

Operating Groups:

Technical Services Group
Provides diversified technical, scientific, and support services for both military and civil aviation.

Commercial Aviation Services

CFE Services, Inc.
Norfolk, Virginia

Heli-Dyne Systems, Inc.
Fort Worth, Texas

Airtech Service, Inc.
Miami, Florida

Servair Inc.
McLean, Virginia

Dyn Logistics Services, Inc.
Norfolk, Virginia

IFC Aviation, Inc.
McLean, Virginia

Government Services

Dynatech Divisions
Albuquerque, New Mexico

Aerospace Operations Division
Fort Worth, Texas

PAC ORD
San Diego, California

Ft. Belvoir Division
Ft. Belvoir, Virginia

System Services Division
McLean, Virginia

International Services

ITS International, Inc.
McLean, Virginia

Dynarabia Company Limited
Riyadh, Saudi Arabia

ITS International Services Gmbh
Monchen Gladbach, West Germany

Specialty Contracting

State Contractors, Inc.
Toronto, Ontario, Canada

Dynatectron Systems
Toronto, Ontario, Canada

Aneco Division of EVC
Owensboro, Kentucky

Fuller-Austin of Canada, Ltd.
Calgary, Alberta

Dyn Construction Co.
Martinez, California

Fuller Austin Insulation Co.
Houston, Texas

Solar Insulators, Inc.
Houston, Texas

Electric Utility Construction
Owensboro, Kentucky

ANECO Company
Clearwater, Florida

ANECO Power Company
Tallahassee, Florida

B & B Contracting & Supply Company
Dallas, Texas

Transfer Agent(s):
RepublicBank Dallas
Corporate Trust Division
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): American, Boston, Philadelphia

Ticker Symbol: DYN

Number of Employees:

1984	N.A.	1983	11,000

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income
1984	$ 638,224,000	$ 12,043,000
1983	538,541,000	10,276,000
1982	457,935,000	13,121,000
1981	474,985,000	13,865,000
1980	442,618,000	5,007,000

	No. of Com. Shares †	Earn. per Share †
1984	9,808,000	$ 1.23
1983	9,358,000	1.10
1982	8,583,000	1.53
1981	8,561,000	1.62
1980	7,654,000	0.65

† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Construction industry:		
Install., sales & engineering	$ 356,784	$ 311,639
Technical & support serv.	281,440	226,902
Total	$ 638,224	$ 538,541

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.25	—	—
1983	0.25	—	—
1982	0.20	—	—
1981	0.10	—	—
1980	0.08	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 99,287,000‡	$ 10.75
1983	95,729,000‡	10.22
1982	80,572,000	9.40
1981	69,451,000	8.12
1980	55,915,000	6.62

‡ After allowing for preferred stock at liquidation value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Revenues	$ 638,224	$ 538,541
Cost of sales	598,991	502,896
Expenses	20,299	18,209
Interest expense	2,878	2,864
Interest income	(5,196)	(5,328)
Sale of technology	(845)	—
Income before taxes	$ 22,097	$ 19,900
Income taxes	10,054	9,624
Net Income	$ 12,043	$ 10,276

* Included in Costs and Expenses, Depreciation and Amortization: $10,573,000 in 1984 and $8,822,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 44,442	$ 55,065
Notes & long-term receiv., curr.	531	1,087
Accts. receiv., net	144,200	117,051
*Inventories	6,642	6,779
Prepaid expenses	3,168	1,180
Current Assets	$ 198,983	$ 181,162
Long-term receiv.	1,592	1,912
#Fixed assets	39,101	32,948
Other assets	14,821	12,579
Intangibles	10,543	9,691
Total Assets	$ 265,040	$ 238,292

Liabilities
(000's)

Long-term debt, curr.	$ 1,233	$ 1,368
Accts. payable	43,972	30,855
Adv. on contract pay.	5,717	7,239
Accruals	40,383	39,990
Accrued inc. taxes	28,178	22,782
Curr. Liabilities	$ 119,483	$ 102,234
Long-term debt	22,745	21,875
Deferred income taxes	14,873	11,823
Other liab. & def. credits	5,391	3,187
+Preferred stock	3,261	3,444
+Common stock	1,001	939
Add. paid-in capital	40,878	39,823
Curr. trans. adj.	(1,181)	(506)
Retained earnings	65,552	55,750
Treasury stock	(6,963)	(277)
Total Liabilities & Shareholders' Equity	$ 265,040	$ 238,292

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	3.46	3.70
%Net Income to Revenues	1.89	1.91
%Net Income to Equity	11.74	10.36
Working Capital	$ 79,500,000	$78,928,000
Current Ratio	1.67	1.77
Shareholders' Equity	$102,548,000	$99,173,000

Dynamics Corporation of America

475 Steamboat Road
Greenwich, Connecticut 06830
(203) 869-3211

Officers: Andrew Lozyniak, chairman of the board & president; Edward J. Mooney, vice chairman of the board, v.p., & secretary; Henry V. Kensing, v.p. & general counsel; Patrick J. Dorme, v.p.-finance & chief financial officer; Richard E. Smith, treasurer; M. Gregory Bohnsack, controller; Leona Cebelenski, asst. secretary.

Directors: Frank A. Gunther, Henry V. Kensing, Andrew Lozyniak, William A. Matheson, Jr., Cartis T. Roff, Edward J. Mooney, Saul Sperber, Joseph Walker.

Areas of Work: Engaged in five general lines of business or product areas: electronic systems and components, farm machinery and equipment, air distribution equipment, industrial equipment and consumer products.

Divisions and Subsidiaries:

Anemostat Products Division
888 North Keyser Avenue
Scranton, Pennsylvania 18501
(717) 346-6586

Manufactures air terminal boxes, grilles, registers, sound traps and other metal products for installation in commercial building heating, ventilation and air conditioning systems.

Fermont Division
141 North Avenue
Bridgeport, Connecticut 06606
(203) 366-5211

Engine generator sets, standby power sources, solid-state controls and switchgear for integrated circuits.

Ellis and Watts Division
4400 Glen Willow Lake Lane
Cincinnati, Ohio 45244
(513) 891-8000

Air and liquid special cooling and temperature control devices, dehydrators, fluid transfer units, air handling equipment, special fans, and electronic trailers for government industrial, medical and power use.

International Electronic Research Corporation
135 West Magnolia Boulevard
Burbank, California 91502
(213) 849-2481

Manufactures board mounted and extruded semiconductor heat sinks/dissipators, Zero Insertion Force circuit board retainers, high performance card cages, cold walls, enclosures, tube shields and other thermal packaging components.

Portable Elevator Division
920 Grove Street
Bloomington, Illinois 61701
(309) 829-1235

Portable farm elevators, conveyors, field cultivators, truck hoists, planters, plows, disk harrows and other material-handling equipment sold to farmers for soil preparation and product handling.

Reeves-Hoffman Division
400 West North Street
Carlisle, Pennsylvania 17013
(717) 243-5929

Manufactures quartz crystal products consisting of crystal units, wafers, oscillators, filters, ovens, frequency standards and glass to metal seal enclosures for application in the precise frequency control of speech and data transmission systems and the packaging of integrated circuits and other electronic components.

Waring Products Division
Route 44
New Hartford, Connecticut 06057
(203) 379-0731

Manufactures commercial and consumer portable electrical appliances such as the original Blendor, mixers, can openers, food slicers, food processors, juicers, coffee preparation products, ice cream makers and food dehydrators.

Transfer Agent(s):

First Natonal Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102
(617) 924-6892

Stock Exchange(s): New York

Ticker Symbol: DYA

Sales and Earnings

	Net Sales	Net Income
1984	$ 140,108,000	$ 8,770,000
1983	150,576,000	14,353,000
1982	140,749,000	3,944,000
1981	152,580,000	6,724,000
1980	145,347,000	12,439,000

	No. of Com. Shares †	Earn. per Share †
1984	4,339,118	$ 2.02
1983	4,414,438	3.25
1982	4,458,248	0.88
1981	4,531,021	1.48
1980	5,413,469	2.30

† Based on the average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Electrical appliances & electronic devices	$ 51,478	$ 53,387
Fabricated metal products & equipment	34,228	32,990
Power & controlled environmental systems	54,402	64,199
Total	$ 140,108	$ 150,576

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.175	—	—
1982	0.15	—	—
1981	0.15	—	—
1980	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 77,846,000	$ 17.94
1983	71,649,000	16.23
1982	60,055,000	13.47
1981	56,909,000	12.56
1980	51,627,000	9.54

† Based on the average number of common shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 140,108,000	$ 150,576,000
Cost of sales	100,634,010	110,329,000
Expenses	29,329,000	27,593,000
Other expense (income)	(3,725,000)	409,000
Gain on sale of CTS stock	—	(9,827,000)
Income before taxes	$ 13,870,000	$ 22,072,000
Income taxes	5,100,000	8,100,000
Eq. in inc. of CTS Corp.	—	(381,000)
Net Income	$ 8,770,000	$ 14,353,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,296,000 in 1984 and $2,418,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 7,931,000	$ 13,939,000
Marketable securities	11,611,000	2,219,000
Accts. receiv., net	21,303,000	18,287,000
*Inventories	26,218,000	22,207,000
Other current assets	1,639,000	8,031,000
Def. income taxes	1,291,000	807,000
Current Assets	$ 69,993,000	$ 65,490,000
#Fixed assets	8,762,000	9,045,000
Eq. invest. in CTS Corp.	14,129,000	12,637,000
Def. income taxes	12,890,000	14,470,000
Deposit	6,450,000	—
Market. secur.	384,000	271,000
Total Assets	$ 112,608,000	$ 101,913,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 363,000	$ 383,000
Accts. payable	5,301,000	4,919,000
Accruals	25,238,000	17,395,000
Income taxes	667,000	3,553,000
Curr. Liabilities	$ 31,569,000	$ 26,250,000
Long-term debt	3,193,000	4,014,000
+ Common stock	427,000	437,000
Add. paid-in capital	9,265,000	9,390,000
Retained earnings	69,396,000	63,364,000
Subs. receiv. & def. compens.	(1,242,000)	(1,542,000)
Total Liabilities & Shareholders' Equity	$ 112,608,000	$ 101,913,000

* At lower of cost (FIFO) or market. In 1982, 41% of inventories stated at LIFO.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.90	14.66
%Net Income to Sales	6.26	12.98
%Net Income to Equity	11.27	20.03
Sales to Inventories	5.34	6.78
Working Capital	$38,424,000	$39,240,000
Current Ratio	2.22	2.49
Shareholders' Equity	$77,846,000	$71,649,000

Dynamics Research Corporation

60 Concord Street
Wilmington, Massachusetts 01887
(617) 658-6100

Officers: John S. Anderegg, Jr., chairman of the board & president; Albert Rand, sr. v.p.-Systems Div.; Joseph J. Bakewell, v.p.-Metrigraphics Div.; John L. Wilkinson, v.p.-human resources; Chester Ju, v.p.-Encoder & Precision Measurement Divisions; Willard E. Chippendale, treasurer; James F. Pablo, controller; David C. Proctor, asst. treasurer; John R.D. McClintock, clerk; Nancy M. Bodenstein, assistant clerk.

Directors: John S. Anderegg, Jr., Thomas J. Troup, Sims McGrath, Wickham Skinner, Frank Gabron, Marvin G. Schorr, Albert Rand.

Areas of Work: Engaged in four lines of business—encoders and digital readout systems, micrographics, computer information & engineering data systems and analytical design. The encoders manufactured by the Company are used to measure rotary, angular or linear movement and serve such industries as machine tool and sheet metal fabrication. Micrographics, the precision patterned glass and metal products manufactured by the company, include precision measuring scales, reticles, microcircuit masks and discs for computer peripheral equipment and the optical instrument industry. The principal markets for computer and engineering data systems and analytical design services are certain defense and space exploration programs.

Dynamics Research Corporation

Divisions:

Encoder Division
Precision Measurement Division
Metrigraphics Division
Systems Division
Test Equipment Division

Subsidiaries:

DRC International Corporation (DISC)

Transfer Agent(s):

State Street Bank and Trust Company
225 Franklin Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DRCO (NASDAQ)

Number of Employees:

1984	899	1981	745
1983	756	1980	704
1982	766		

Plant Footage:

1984	N.A.	1981	150,300
1983	N.A.	1980	125,300
1982	201,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales †	Net Income
1984	$ 53,070,000	$ 1,510,000
1983	43,663,000	1,007,000
1982	38,572,000	654,000
1981	32,383,000	867,000
1980	27,296,281	804,109

	No. of Com. Shares +	Earn. per Share #
1984	2,575,580	$ 0.59
1983	2,575,580	0.39
1982	2,575,580	0.25
1981	2,575,580	0.34
1980	2,575,580	0.31

† Including contract revenues.
+ Adjusted to reflect stock dividends and stock splits.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits.

Revenues By Line of Business

	1984	1983
Digital sensors & controls	$ 15,023,000	$ 12,307,000
Tech. management svcs. for defense	38,047,000	31,356,000
Total	$ 53,070,000	$ 43,663,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.03	5% & 25%	—
1983	0.05	10% & 10%	—
1982	0.04	10% & 10%	—
1981	0.02	10%	3-for-2
1980	0.02	—	3-for-2

+ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 9,718,000	$ 3.77
1983	8,275,000	3.21
1982	7,390,000	2.87
1981	6,839,000	2.66
1980	6,036,048	2.34

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended	12/29/84	12/31/83
Net sales & revenues	$ 53,070,000	$ 43,663,000
Cost of sales	41,453,000	34,102,000
Expenses	9,301,000	7,457,000
Interest expense	435,000	348,000
Income before taxes	$ 1,881,000	$ 1,756,000
Income taxes	371,000	749,000
Net Income	$ 1,510,000	$ 1,007,000

* Included in Cost and Expenses, Depreciation and Amortization: $1,046,000 in 1984 and $840,000 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 222,000	$ 440,000
Receiv., net	8,451,000	9,457,000
Unbilled fees	3,194,000	1,657,000
*Inventories	4,472,000	2,927,000
Tax refund	419,000	—
Prepaid expenses	132,000	181,000
Current Assets	$ 16,890,000	$ 14,662,000
#Fixed assets	5,923,000	2,787,0000
Total Assets	$ 22,813,000	$ 17,449,000

Liabilities

Notes payable	$ 3,600,000	$ 2,500,000
Long-term debt, curr.	833,000	—
Accts. payable	2,858,000	2,645,000
Accruals	706,000	491,000
Accrued payroll	1,626,000	1,222,000
Deferred inc. taxes	1,235,000	704,000
Accrued taxes	—	1,093,000
Curr. Liabilities	$ 10,858,000	$ 8,655,000
Long-term debt	1,667,000	—
Deferred inc. taxes	570,000	519,000
+Common stock	258,000	196,000
Add. paid-in capital	7,035,000	6,284,000
Retained earnings	2,425,000	1,795,000
Total Liabilities & Shareholders' Equity	$ 22,813,000	$ 17,449,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.54	4.02
%Net Income to Sales	2.85	2.31
%Net Income to Equity	15.54	12.17
Working Capital	$6,032,000	$6,007,000
Current Ratio	1.56	1.69
Shareholders' Equity	$9,718,000	$8,275,000

Dynascan Corporation

6460 W. Cortland Street
Chicago, Illinois 60635
(312) 889-8870

Officers: Carl Korn, chairman; Leonard Abrahamson, v.p.-human resources; S. Gene Balaban, v.p. & gen. mgr.-Industrial Electronic Products Group; J. Dennis Burke, v.p. & gen. mgr.-Consumer Electronic Products Group; Henry J. Gronski, v.p.-corporate services & facilities; Samuel G. Horberg, vice president, secretary and treasurer.

Directors: Samuel B. Horberg, Carl Korn, James L. Marovitz, Ronald Cramer, Harold D. Schwartz.

Areas of Work: Designs, imports and markets two-way citizens-band radios, cordless and wired telephones, telephone answering systems and radar detectors. Develops and markets industrial products, B & K Precision electronic test and measurement equipment, and Telemotive Radio Remote Control systems for heavy industrial equipment.

Divisions:

Consumer Electronic Products Group

Cobra Telecommunications
Manufactures corded and cordless telephones and answering machines.

Cobra Personal Communications Products
Manufactures CB radios and radar detectors.

Industrial Electronic Products Group

B&K-Precision Test and Measurement Equipment

Telemotive Industrial Radio Remote Control Systems

Transfer Agent(s):

Continental Illinois National Bank & Trust Company
of Chicago
231 South LaSalle Street
Chicago, Illinois 60602

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DYNA (NASDAQ)

Number of Employees:

1984	N.A.	1981	520
1983	500	1980	535
1982	400		

Plant Footage:

1984	N.A.	1981	186,000
1983	226,000 sq. ft.	1980	186,000
1982	166,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 125,271,000	$ (16,042,000)
1983	173,439,000	8,777,000
1982	82,921,000	3,356,000
1981	66,743,000	3,036,000
1980	51,168,000	1,905,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	4,551,000	$ —
1983	4,518,000	1.94
1982	4,231,000	0.79
1981	4,222,000	0.72
1980	4,216,000	0.45

(Loss)
‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Consumer electronics products	$ 100,010,000	$ 150,103,000
Industrial electronics products	25,261,000	23,336,000
Total	$ 125,271,000	$ 173,439,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	3%	—
1983	—	3% + 3%	—
1982	—	3% + 3%	—
1981	—	3% + 3%	—
1980	—	3% + 3%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 31,236,000	$ 6.88
1983	47,274,000	10.42
1982	33,663,000	7.94
1981	30,318,000	7.15
1980	27,271,000	6.44

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 125,271,000	$ 173,439,000
Cost of sales	129,148,000	133,501,000
Expenses	19,574,000	20,917,000
Interest expense	5,822,000	861,000
Tax lease invest. reduction	2,000,000	—
Prof. sh. plan	—	1,142,000
Other income	(86,000)	(8,000)
Interest income	(260,000)	(200,000)
Inc. (loss) bef. taxes	$ (30,927,000)	$ 17,226,000
Income taxes (credit)	(14,885,000)	8,449,000
Net Income (Loss)	$ (16,042,000)	$ 8,777,000

* Included in Costs and Expenses, Depreciation and Amortization: $829,000 in 1984 and $706,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 2,195,000	$ 1,374,000
Marketable securities	37,000	117,000
Receiv., net	32,765,000	48,142,000
*Inventories	35,414,000	40,589,000
Prepaid expenses	3,716,000	4,159,0000
Other current assets	8,791,000	5,111,000
Current Assets	$ 82,918,000	$ 99,492,000
#Fixed assets	5,634,000	2,962,000
Other assets	7,486,000	4,149,000
Total Assets	$ 96,038,000	$ 106,603,000

Liabilities

	1984	1983
Note payable	$ 49,375,000	$ 41,000,000
Accts. payable	4,458,000	-9,384,000
Accruals	8,398,000	7,238,000
Curr. Liabilities	$ 62,231,000	$ 57,622,000
Oblig. under cap. lease	1,957,000	—
Deferred inc. taxes	614,000	1,707,000
+ Common stock	1,548,000	1,502,000
Add. paid-in capital	23,837,000	22,910,000
Retained earnings	5,916,000	22,922,000
Treasury stock	(65,000)	(60,000)
Total Liabilities & Shareholders' Equity	$ 96,038,000	$ 106,603,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.33⅓ par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	—	9.93
%Net Income to Sales	—	5.06
%Net Income to Equity	—	18.57
Sales to Inventories	3.54	4.27
Working Capital	$20,687,000	$41,870,000
Current Ratio	1.33	1.73
Shareholders' Equity	$31,236,000	$47,274,000

Dynatech Corporation

3 New England Executive Park
Burlington, Massachusetts 01803
(617) 272-3304

Officers: Warren M. Rohsenow, chairman; J.P. Barger, president; Kenneth D. Roberts, sr. v.p. & treasurer; James R. Turner, William W. Welsh, Jr., Ronald H. Weatherhogg, John F. Reno, group v.p.'s; Dwight W. Harvie, John Quagliaroli; Claude Olier, Dorothy G. Cooley, John A. Powers, David S. Howell, v.p.'s; Edward T. O'Dell, Jr., secretary; Vera B. Durling, asst. secretary; Robert H. Hertz, corporate controller; Donald E. Worfolk, asst. treasurer.

Directors: Warren M. Rohsenow, chairman; J.P. Barger, Marshall Simonds, Theodore Cohn, Warren A. Law.

Areas of Work: Manufactures and sells electronic-based test and measurement instruments for three major markets-data communications, medical instrumentation, and electronic test instruments. Supplies diagnostic systems to research and clinical laboratories, and provides research development and consulting services in chemical and mechanical engineering to industrial and government clients.

Divisions and Subsidiaries:

Scientific Instruments Segment:

Dynatech R/D Company
Cambridge, Massachusetts

Artek Systems Corporation
Farmingdale, New York

Dynatech Frontier Corporation
Albuquerque, New Mexico

Trigon Industries, Inc.
Milpitas, California

Lighting Location & Protection, Inc.
Tucson, Arizona

Dynatech Precision Sampling Corp.
Baton Rouge, Louisiana

Dynatech, Australia
Turramurra, NWS, Australia

Trans-Met Engineering, Inc.
Anaheim, California

LEA Dynatech Inc.
Santa Fe Springs, California

Dynatech Computer Power Inc.
Scotts Valley, California

Sensors, Inc.
Saline, Michigan

Diagnostic Instrument Segment:

Dynatech Laboratories, Incorporated
Alexndria, Virginia

Dynatec Nevada, Inc.
Carson City, Nevada

Dynatech Medical Products Ltd.
Guernsey, Channel Islands

Communications Segment:

Dynatech Data Systems
Springfield, Virginia

Telecommunications Techniques Corp.
Gaithersburg, Maryland

Dynatech Data Communications, Ltd.
Guernsey, Channel Islands

Dynatech Packet Technology, Inc.
Alexandria, Virginia

Dynatech Communications, Ltd.
Cheshunt Hertfordhsire, England

Interface Technology, Inc.
Glendora, California
Manufactures and markets digital electronics test instruments.

Microwave Equipment:

Dynatech/U-Z
Venice, California

Controlonics Corporation
Westford, Massachusetts

Integra, Inc.
Santa Clara, California

Video Communications:

Utah Scientific, Inc.
Salt Lake City, Utah

ColorGraphic Systems, Inc.
Madison Wisconsin

Overseas Sales Companies:

Dynatech, A.G.
Zug, Switzerland

Dynatech Produkte, A.G.
Kloten, Switzerland

Dynatech Laboratories, Ltd.
Billingshurst, Sussex, England

Laboratoire Dynatech S.A.R.L.
Fresnes Cedex, France

Dynatech Deutschland GmbH
Denkendorf, West Germany

Dynatech Communications Gmbh
Friedichsdorf, West Germany

Norwegian Data Communication et Computer A/S
Oslo, Norway

Dynatech Communications Svenska A.B.
Stockholm, Sweden

Dynatech Communications S.A.R.L.
Fresnes, France

Nihon Dynatech K.K.
Tokyo, Japan

Datatel S.A.
Boulogne-Billancourt, France

Dynatech-Tesdata, Ltd.
Slough, Berkshire, England

Tesdata S.R.L.
Milan, Italy

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: DYTC (NASDAQ)

Number of Employees:

1984	N.A.	1981	800
1983	1,606	1980	800
1982	N.A.		

N.A. - Not Available.

Sales and Earnings ‡

	Net Sales +	Net Income
1984	$ 204,626,000	$ 19,182,000
1983	149,424,000	11,013,000
1982	125,755,000	9,177,000
1981	98,947,000	5,866,000
1980	83,803,000	5,336,000

	No. of Com. Shares	Earn. per Share #
1984	9,804,291	$ 1.96
1983	9,748,849	1.14
1982	N.A.	0.96
1981	N.A.	0.63
1980	N.A.	0.60

N.A.-Not Available.
+ Including contract revenue.
‡ Restated to include operations of Dymarc Industries, Inc., acquired on a pooling of interests basis.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Data communications prods.	$ 143,268,000	$ 97,031,000
Medical laboratory prods.	29,013,000	29,018,000

R/D & scientific instruments	32,345,000	23,375,000
Total	$ 204,626,000	$ 149,424,000

Common Stock Equity †

	Total Equity	Equity Per Share
1984	$ 69,671,000	$ 7.11
1983	51,755,000	5.31
1982	40,196,000	4.17
1981	29,923,000	3.14
1980	22,670,000	2.52

† Restated.

Income Account *
(000's)

Year ended March 31	1984	1983 ‡
Net sales	$ 204,626	$ 149,424
Cost of sales	89,012	63,679
Expenses	84,343	64,674
Interest expense	2,813	1,082
Other income	(150)	(316)
Gain on sale of subsid.	(4,001)	—
Income before taxes	$ 32,609	$ 20,305
Income taxes	13,427	9,292
Net Income	$ 19,182	$ 11,013

* Included in Costs and Expenses, Depreciation and Amortization: $5,152,000 in 1984 and $3,371,000 in 1983.

‡ Restated.

Assets
(000's)

As of March 31	1984	1983 ‡
Cash & cash equiv.	$ 2,173	$ 2,693
Accts. receiv., net	39,909	27,880
*Inventories	49,345	34,035
Other assets	2,362	1,536
Current Assets	$ 93,789	$ 66,144
#Fixed assets	21,180	14,097
Other assets	5,225	1,088
Intangibles	13,366	3,345
Total Assets	$ 133,560	$ 84,674

Liabilities
(000's)

Long-term debt, curr.	$ 2,545	$ 2,107
Accts. payable	11,723	9,037
Accruals	12,449	7,902
Accrued payroll	2,431	1,787
Income taxes	4,421	2,107
Curr. Liabilities	$ 33,269	$ 22,940
Long-term debt	26,658	7,783
Deferred income	232	—
Def. inc. taxes	3,730	2,196
+ Common stock	1,961	1,950
Add. paid-in capital	4,649	4,065
Retained earnings	65,493	46,311
Cum. for. curr. trans.	(2,432)	(571)
Total Liabilities & Shareholders' Equity	$ 133,560	$ 84,674

‡ Restated.
* At lower of cost (FIFO & average) or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.94	13.59
%Net Income to Sales	9.37	7.37
%Net Income to Equity	27.53	21.28
Sales to Inventories	4.15	4.39
Working Capital	$60,520,000	$43,204,000
Current Ratio	2.82	2.88
Shareholders' Equity	$69,671,000	$51,755,000

Dyneer Corporation

(formerly ASPRO, Inc.)
(40% owned by UTC International of Basel, Switzerland)

The Riverside Building
Westport, Connecticut 06880
(203) 226-1071

Officers: Harlan W. Smith, chairman of the board & president; James R. Gerrity, sr. v.p.-finance & administration; Stephen A. Rhodes, v.p.-transportation products group; J. Bradford Perkins, v.p.-information technology products group; Kenneth E. Thorp, v.p.-mobile equipment products group; David E. Stoll, controller; Charles Hemmerdinger, treasurer; Lawrence K. Sandness, secretary & general counsel; Charles F. Greenwood, v.p.-human resources.

Directors: James R. Gerrity, Geraldine C. Herzfeld, Alfred E. Sarasin, William W. Sellew, Harlan W. Smith, M. Abbott Van Nostrand, Peter Gloor, Josef Zumstein.

Areas of Work: The Company is involved in three business segments: electronics, mobile equipment and transportation products. The electronic products include: optoelectronic control devices used in electronic business equipment; seismic equipment which measures vibration and earthquakes.

Divisions and Subsidiaries:

Sensor Technology, Inc.
Chatsworth, California
Optoelectronic devices and assemblies.

Sprengnether Instruments, Inc.
St. Louis, Missouri
Seismic instrumentation and systems.

Technitron, Inc.
New York, New York
Electronic equipment and systems.

X-Data Limited
Slough, Berkshire
England
Computer peripherals.

Tractech, Inc.
Warren, Michigan
Sligo, Ireland
Manufactures traction differentials.

Mud Hog Corporation
Brookston, Indiana
Produces auxiliary drive systems.

Dico Company, Inc.
Des Moines, Iowa
Anaheim, California
El Cajon, California
Atlanta, Georgia
Elkhardt, Indiana
Dresden, Tennssee
Grand Prairie, Texas
Slinger, Wisconsin
Manufactures industrial wheel/tire assemblies and braking systems.

Mercury Products Division
Canton, Ohio
Manufactures clutches and brakes.

Change-O-Matic, Inc.
Wesco Manufacturing, Inc.
Aurora, Illinois
Produce security lockers and office furniture.

Spun Steel Division
Dothan, Alabama
Bloomfield Hills, Michigan
Corinth, Mississippi
Strathroy and Windsor, Ontario
Acuna, Mexico (40% owned)
Manufactures automotive and industrial pulleys.

Granning Suspensions, Inc.
Livonia, Michigan
Auxiliary axle suspensions.

Kraft Tube, Inc.
Reed City, Michigan
Automotive tubing assemblies.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10081

Stock Exchange(s): American

Ticker Symbol: DYR

Number of Employees:

1984	N.A.	1981	1,700
1983	1,700	1980	1,717
1982	1,700		

Plant Footage:

1984	N.A.	1981	1,638,337
1983	1,923,655 sq. ft.	1980	1,572,883
1982	1,851,696		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 196,462,000	$ 7,400,000
1983	155,072,000	3,240,000
1982	157,478,000	4,010,000
1981	151,564,000	7,250,000
1980	155,276,000	7,010,000

	No. of Com. Shares ‡	Earn. per. Share ‡
1984	3,495,000	$ 2.12
1983	3,427,000	0.95
1982	3,405,000	1.18
1981	3,427,000	2.12
1980	3,027,000	2.32

‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Mobile equip. & industrial prods.	$ 92,507	$ 71,703
Electronic prods.	62,983	50,081
Transportation prods.	40,972	33,288
Total	$ 196,462	$ 155,072

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.70	—	—
1983	0.70	—	—
1982	0.70	—	—
1981	0.62	—	—
1980	0.56	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 57,746,000	$ 16.52
1983	53,233,000	15.31
1982	52,714,000	15.31
1981	50,731,000	14.84
1980	45,248,000	13.76

Income Account *

Year ended July 31	1984	1983
Net sales	$ 196,462,000	$ 155,072,000
Other income	848,000	1,256,000
Total income	$ 197,310,000	$ 156,328,000
Cost of sales	146,256,000	117,334,000

Expenses	35,556,000	30,428,000
Interest expense	2,498,000	2,386,000
Income before taxes	$ 13,000,000	$ 6,180,000
Income taxes	5,600,000	2,940,000
Net Income	$ 7,400,000	$ 3,240,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,536,000 in 1984 and $4,250,000 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 2,543,000	$ 1,610,000
Investments	13,655,000	9,683,000
Accts. receiv., net	25,266,000	21,772,000
*Inventories	40,097,000	28,685,000
Prepaid expenses	2,432,000	1,677,000
Current Assets	$ 83,993,000	$ 63,427,000
#Fixed assets	32,913,000	32,973,000
Other assets	11,959,000	13,398,000
Total Assets	$ 128,865,000	$ 109,798,000

Liabilities

Notes payable	$ 5,495,000	$ 2,643,000
Long-term debt, curr.	1,387,000	1,183,000
Accts. payable	21,598,000	18,176,000
Other curr. liabilities	9,184,000	6,973,000
Income taxes	3,228,000	2,415,000
Curr. Liabilities	$ 40,892,000	$ 31,390,000
Long-term debt	24,279,000	18,931,000
Deferred inc. taxes	1,783,000	1,694,000
Other liabilities	4,165,000	4,550,000
+Common stock	3,396,000	3,396,000
Add. paid-in capital	21,902,000	21,870,000
Retained earnings	34,340,000	29,824,000
For. curr. trans. adjust.	(1,527,000)	(854,000)
Treasury stock	(365,000)	(463,000)
Total Liabilities & Shareholders' Equity	$ 128,865,000	$ 109,798,000

* At lower of cost (FIFO and LIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.62	3.99
%Net Income to Sales	3.77	2.09
%Net Income to Equity	12.81	6.09
Sales to Inventories	4.90	5.41
Working Capital	$43,101,000	$32,037,000
Current Ratio	2.05	2.02
Shareholders' Equity	$57,746,000	$53,233,000

EAC Industries, Inc.

Suite 1400
135 South LaSalle Street
Chicago, Illinois 60603
(312) 346-2015

Officers: Peter B. Fritzsche, chairman of the board & president; Paul Fritzsche, v.p.-operations and administration & secretary; Arthur L. Goldberg, v.p.-finance & treasurer; Peter O. Fetzer, asst. secretary.

Directors: George J. Dunn, Paul Fritzsche, Peter B. Fritzsche*, Philip H. Geier, Jr., James F. Peil*, Daniel E. Virnich*, Paul E. Price*.

* Member of the Executive Committee.

Areas of Work: Manufactures hardware products for screen and storm doors and security locks; electrical equipment such as compressors, electrical controllers, fans, pumps, electric motors, collector rings and uninterruptible and standby power supplies; jet engine components; point-of-purchase advertising such as in-store sales aids, wall decorations and metallized plastic; manufactured housing for dealers and developers.

Subsidiaries:

Welco Industries, Inc.
Cincinnati, Ohio

Ideal Security Hardware Corporation
St. Paul, Minnesota

Goodren Products Corporation
Englewood, New Jersey

Sterling Corporation
White Pigeon, Michigan

The Stalker Corporation
Essexville, Michigan

Sterling Manufactured Homes, Inc.
Albemarle, North Carolina

Transfer Agent(s):

First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): American

Ticker Symbol: EAC

Number of Employees:

1984 ...... N.A. 1983 600

Plant Footage:

1984 ...... N.A. 1983 ...... 515,000 sq. ft.

N.A. - Not Available.

Sales and Earnings

	Revenues +	Net Income
1984	$ 55,063,000	$ (144,000)
1983	38,845,000	2,009,000
1982	32,120,000	1,891,000
1981	31,209,000	1,934,000
1980	31,945,000	1,624,000

	No. of Com. Shares #	Earn. per Share #
1984	1,924,000	$ —
1983	1,796,000	1.12
1982	1,578,000	1.20
1981	1,556,000	1.24
1980	1,793,000	0.91

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Hardware	$ 21,040	$ 19,222
Aircraft & defense	14,563	11,560
Point-of-purchase adv.	4,150	4,093
Manufactured housing	15,310	3,970
Total	$ 55,063	$ 38,845

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.40	—	—
1982	0.40	—	—
1981	0.36	—	—
1980	0.36	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 17,684,000	$ 9.19
1983	18,627,000	9.70
1982	14,957,000	9.25
1981	13,337,000	8.56
1980	11,964,000	7.71

Income Account*
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 55,063	$ 38,845
Cost of sales	45,619	29,183
Expenses	9,141	6,841
Eq. in inc. of affil. comp.	(742)	(519)
Interest expense	1,555	508
Plant reloc. exp.	361	526
Inc. (loss) bef. taxes	$ (871)	$ 2,306
Income taxes (credit)	(727)	297
Net Income (Loss)	$ (144)	$ 2,009

* Included in Costs and Expenses, Depreciation and Amortization: $1,680,000 in 1985 and $1,335,000 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash & marketable securities	$ 1,325	$ 354
Accts. receiv., net	10,097	7,537
*Inventories	11,229	9,455
Prepaid expenses	616	494
Current Assets	$ 23,267	$ 17,840
Investments	3,868	3,472
#Fixed assets	14,820	11,497
Other assets	667	2,701
Intangibles	2,133	1,927
Total Assets	$ 44,755	$ 37,437

Liabilities
(000's)

Long-term debt, curr.	$ 636	$ 628
Accts. payable	5,638	3,727
Accruals	2,933	2,225
Income taxes	(1,096)	(306)
Curr. Liabilities	$ 8,111	$ 6,274
Long-term debt	16,861	11,076
Other liab.	247	156
Deferred inc. taxes	1,852	1,304
+Common stock	232	232
Add. paid-in capital	12,603	12,635
Cum. trans. adjust.	(139)	(97)
Retained earnings	7,606	8,518
Treasury stock	(2,618)	(2,661)
Total Liabilities & Shareholders' Equity	$ 44,755	$ 37,437

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	5.94
%Net Income to Sales	—	5.17
%Net Income to Equity	—	10.79
Sales to Inventories	4.90	4.11
Working Capital	$15,156,000	$11,566,000
Current Ratio	2.87	2.84
Shareholders' Equity	$17,684,000	$18,627,000

Eagle-Picher Industries, Inc.

580 Walnut Street
P.O. Box 779
Cincinnati, Ohio 45202
(513) 721-7010

Officers: William D. Atteberry, chairman of the board; Thomas E. Petry, president & chief executive officer; John W. Painter, exec. v.p.; Jack D. Grinton, group v.p.; James M. Dines, v.p.; John E. Powers, sr. v.p.; James A. Ralston, v.p. &

general counsel; James G. Baird, J. Rodman Nall, v.p.'s; Charles S. Dautel, v.p. & secretary; David N. Hall, v.p. & treasurer; Joshua E. Adams, asst. treasurer; Carroll D. Curless, controller; David W. Matthews, asst. secretary.

Directors: William D. Atteberry, Sanford M. Brooks, Paul W. Christensen, Jr., Wickliffe Jones, Daniel W. LeBlond, John W. Painter, Charles S. Mechem, Jr., V. Anderson Coombe, Thomas E. Petry, Sidney J. Weinberg, Jr., Lloyd I. Miller, Richard T. Farmer.

Areas of Work: The Company's electronic activities include the development of special purpose battery systems for electrical vehicles, utility load leveling, and world-wide communications satellites; development of a data terminal system for industrial computers; new crystalline materials for semiconductor and infra-red applications.

Electronics Divisions

Electronics Division
Joplin, Missouri
Special purpose batteries; high precision metal products.

The Elmac Corporation
Huntington, West Virginia
Manufactures belt haulage systems, electrical transmission systems and controls, replacement parts for mining machines and rubber tired vehicles for the underground coal mining and hard rock mining industries.

Specialty Materials Division
Quapaw, Oklahoma
Produces high purity germanium, gallium, lithium, and boron materials for the nuclear and electronic industries.

Transfer Agent(s):

The First National Bank of Cincinnati
Cincinnati, Ohio

Stock Exchange(s): New York, Cincinnati

Ticker Symbol: EPI

Number of Employees:

1984	8,700	1981	9,700
1983	8,100	1980	9,400
1982	7,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 663,929,023	$ 28,142,115
1983	532,652,965	15,348,059
1982	531,452,143	11,389,982
1981	624,207,641	18,552,692
1980	543,297,442	21,297,719

	No. of Com. Shares	Earn. per Share ‡
1984	9,543,000	$ 2.91
1983	9,529,000	1.58
1982	9,543,000	1.17
1981	9,632,000	1.88
1980	9,715,000	2.14

‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Basic materials & chemicals	$ 206,200	$ 190,100
Machinery & allied products	232,500	170,200
Transportation products	225,200	172,400
Total	$ 663,900	$ 532,700

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.02	—	—
1983	0.96	—	—
1982	0.96	—	—
1981	0.96	—	—
1980	0.90	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 239,158,247	$ 25.06
1983	221,662,628	23.26
1982	217,027,329	22.74
1981	216,040,345	22.43
1980	208,430,199	21.46

‡ After allowing for preference stock at a stated value of $33 per share.

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 663,929,023	$ 532,652,965
Cost of sales	545,647,427	445,792,617
Expenses	57,966,618	53,283,162
Interest expense	7,290,208	7,715,288
Provision for losses on dispos. of prop.	—	17,094,924
Asbestos litigation	8,250,000	(9,000,000)
Other income	(5,467,345)	(6,481,085)
Income before taxes	$ 50,242,115	$ 24,248,059
Income taxes	22,100,000	8,900,000
Net Income	$ 28,142,115	$ 15,348,059

* Included in Costs and Expenses, Depreciation and Amortization: $22,530,090 in 1984 and $23,421,007 in 1983.

Assets

As of Nov. 30	1984	1983
Cash	$ 34,220,336	$ 26,147,487
Receiv., net	96,790,138	86,907,767
Due from insur. carriers	18,855,556	19,950,743
*Inventories	85,434,492	78,097,506
Prepaid expenses	3,576,505	1,779,143
Current Assets	$ 238,877,027	$ 212,882,646
Investments	17,657,441	14,036,215
#Fixed assets	146,862,017	147,047,878
Other assets	4,906,401	5,818,556
Total Assets	$ 408,302,886	$ 379,785,295

Liabilities

	1984	1983
Long-term debt, curr.	$ 4,815,562	$ 4,468,500
Accts. payable	46,920,611	38,328,003
Accruals	22,555,764	20,517,530
Comp. & empl. benefits	8,330,567	7,664,653
Income taxes	1,880,516	2,749,280
Curr. Liabilities	$ 84,503,020	$ 73,727,966
Long-term debt	64,623,357	65,366,326
Other long-term liabilities	3,419,214	3,798,542
Deferred inc. taxes	16,599,048	14,106,810
+ Preferred stock	—	1,123,023
+ + Common stock	12,500,000	12,500,000
Add. paid-in capital	2,754,879	3,094,253
For. curr. trans.	(445,310)	—
Retained earnings	233,452,187	215,067,448
Treasury stock	(9,103,509)	(8,999,073)
Total Liabilities & Shareholders' Equity	$ 408,302,886	$ 379,785,295

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $33 stated value.
+ + $1.25 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	7.57	4.55
%Net Income to Sales	4.24	2.88
%Net Income to Equity	11.77	6.88
Sales to Inventories	7.77	6.82
Working Capital	$154,374,007	$139,154,680
Current Ratio	2.83	2.88
Shareholders' Equity	$239,158,247	$222,785,651

Eastman Kodak Company

343 State Street
Rochester, New York 14650
(716) 724-4000

Officers: Colby H. Chandler, chairman of the board & chief executive officer; Kay R. Whitmore, president; Dennis M. Deleo, v.p. & director-corporate commercial affairs; David J. Metz, v.p. & dir.-corp. communications; Robert B. Murray, v.p. & dir.-corp. planning; Herbert L. Rees, v.p.-corp. staff; J. Phillip Samper, exec. v.p. & gen. mgr.-Photographic Div.; Albert L. Sieg, v.p. & general manager-Japanese Region; Toy F. Reid, exec. v.p. & gen. mgr.- Eastman Chemicals Div.; Robert C. Petrey, John H. Sanders, v.p.'s-Eastman Chemicals Div.; Leo J. Thomas, sr. v.p. & dir.-Kodak Research Laboratories; Kendall M. Cole, sr. v.p.-legal & general counsel; Paul L. Smith, sr. v.p. & dir.-finance & adm.; Donald E. Snyder, treasurer; Lowrie G. Piercy, general comptroller; William L. Sutton, sr. v.p. & dir.-corp. relations; John R. McCarthy, v.p.-corp. relations; Andrew Donovan, secretary.

Directors: Colby H. Chandler*, chairman; Walter A. Fallon*, Juanita M. Kreps, Roger E. Anderson, Kendall M. Cole*, Robert S. Hatfield, Charles T. Duncan, Toy F. Reid*, John G. Smale, William L. Sutton*, Kay R. Whitmore*, J. Phillip Samper*, David S. Saxon, Paul L. Smith*, John F. Burlingame.

* Member of the Executive Committee.

Areas of Work: Develops, manufactures and markets still and motion picture cameras and projectors, lenses, microfilming units, and professional photographic equipment; photographic films, papers, plates and chemicals; business equipment and related products, including copier-duplicators, radiographic products; light-sensitive materials for scientific use, positive-working photoresists for fabricating circuit boards, duplicating plates for making negative copies of printed circuits; man-made fibers, industrial chemicals and plastics.

Divisions and Subsidiaries:

Kodak Park Division
1669 Lake Avenue
Rochester, New York 14650
(716) 458-1000

Kodak Apparatus Division
901 Elmgrove Road
Rochester, New York 14650
(716) 724-4000

Distillation Products Industries Division
2255 Mount Read Boulevard
Rochester, New York 14603
(716) 722-2905

Business Systems Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Motion Picture and Audiovisuals Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Consumer Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Graphics Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Professional and Finishing
Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Radiography Markets Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Eastman Technology, Inc.
343 State Street
Rochester, New York 14650
(716) 724-4000

International Photographic Division
343 State Street
Rochester, New York 14650
(716) 724-4000

Customer Equipment Services Division
800 Lee Road
Rochester, New York 14650
(716) 724-4000

Eastman Chemicals Division
343 State Street
Rochester, New York 14650
(716) 325-2000

Arkansas Eastman Company
P.O. Box 2357
Batesville, Arkansas 72501
(501) 698-1811

Carolina Eastman Company
P.O. Box 1782
Columbia, South Carolina 29202
(803) 794-9200

Tennessee Eastman Company
P.O. Box 511
Kingsport, Tennessee 37662
(615) 246-2111

Texas Eastman Company
P.O. Box 7444
Longview, Texas 75601
(214) 757-6611

Eastman Gelatine Corporation
227 Washington Street
Peabody, Massachusetts 01960
(617) 531-1700

Atex, Inc.
Bedford, Massachusetts

Kodak Colorado Division
Windsor, Colorado

Spin Physics, Inc.
San Diego, California

Industria Fotografica Interamericana, S.A. de C.V.
Mexico

Kodak Canada Inc.
3500 Eglinton Avenue West
Toronto, Ontario, M6M 1V3 Canada
(416) 766-8233

Kodak Limited
P.O. Box 66
Kodak House
Station Road, Hemel Hempstead
Hertfordshire, HP1 1JU, England

Kodak-Pathe
8-26 Rue Villiot
75008-Paris, Cedex 12
France

Kodak A.G.
Postfach 369
7000 Stuttgart 60, Germany

Kodak (Australasia) Pty. Ltd.
173-3058 Elizabeth Street
Coburg, Victoria, Australia

Kodak Brasilerira C.I.L.
Av. Brigadeiro Faria Limia, 1815, 7th Floor
Caixa Postal 225
Sao Paulo, 01000 Brazil

Acquisition(s):

Mead Digital Systems
Manufactures ink-jet printing equipment.

Datatape Division
Manufactures high-technology, digital & analog recording equipment.

Transfer Agent(s):

Lincoln First Bank, N.A.
P.O. Box 1250
Rochester, New York 14603

First Jersey National Bank
1 Exchange Place
Jersey City, New Jersey 07303

Stock Exchange(s): New York, Midwest, Pacific, Boston, Phila-Balt-Wash, Paris, London

Ticker Symbol: EK

Number of Employees:

	U.S.	Worldwide
1984	N.A.	N.A.
1983	86,000	125,500
1982	93,300	136,500
1981	91,900	136,400
1980	84,400	129,500

N.A. - Not Available.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 10,600,000	$ 923,000
1983	10,170,000	565,000
1982	10,815,000	1,162,000
1981	10,337,000	1,239,000
1980	9,734,303	1,153,579

	No. of Com. Shares #	Earn. per Share #
1984	161,800,000	$ 5.71
1983	165,600,000	3.41
1982	163,200,000	7.12
1981	161,700,000	7.66
1980	161,389,000	7.15

# Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$3.60	—	—
1983	3.55	—	—
1982	3.55	—	—
1981	3.50	—	—
1980	3.20	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share #
1984	$ 7,137,000	$ 44.11
1983	7,520,000	45.41
1982	7,541,000	46.21
1981	6,770,000	41.66
1980	6,027,806	37.35

# Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended	12/30/84	12/25/83
Net sales	$ 10,600,000	$ 10,170,000
Cost of sales	6,887,000	7,051,000
Expenses	2,166,000	2,092,000
Oper. profit	$ 1,547,000	$ 1,027,000
Investment income	140,000	122,000
Total	$ 1,687,000	$ 1,149,000
Interest exp.	114,000	117,000
Other expense (income)	(51,000)	12,000
Income before taxes	$ 1,624,000	$ 1,020,000
Income taxes	701,000	455,000
Net Income	$ 923,000	$ 565,000

* Included in Costs and Expenses, Depreciation and Amortization: $760,000,000 in 1984 and $653,000,000 in 1983.

Assets
(000's)

As of	12/30/84	12/25/83
Cash	$ 192,000	$ 141,000
Marketable securities	819,000	1,421,000
Receiv., net	2,050,000	1,779,000
*Inventories	1,758,000	1,710,000
Deferred inc. taxes	125,000	133,000
Prepaid expenses	187,000	236,000
Current Assets	$ 5,131,000	$ 5,420,000
#Fixed assets	5,389,000	5,248,000
Other assets	258,000	260,000
Total Assets	$ 10,778,000	$ 10,928,000

Liabilities
(000's)

Payables	$ 1,828,000	$ 1,753,000
Dividends payable	210,000	215,000
Income & other taxes	268,000	204,000
Curr. Liabilities	$ 2,306,000	$ 2,172,000
Conv. deben: 4½%	341,000	341,000
Other liabilities	271,000	289,000
Deferred inc. taxes	723,000	606,000
+Common stock	414,000	414,000
Add. paid-in capital	520,000	520,000
Retained earnings	6,931,000	6,586,000
Treasury stock	(728,000)	—
Total Liabilities & Shareholders' Equity	$ 10,778,000	$ 10,928,000

* At cost (LIFO) which is not in excess of market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.32	10.03
%Net Income to Sales	8.71	5.56
%Net Income to Equity	12.93	7.51
Sales to Inventories	6.03	5.95
Working Capital	$2,825,000,000	$3,248,000,000
Current Ratio	2.23	2.50
Shareholder's Equity	$7,137,000,000	$7,520,000,000

Eaton Corporation

Eaton Center
1111 Superior Avenue, N.E.
Cleveland, Ohio 44114
(216) 523-5000

Officers: E.M. de Windt, chairman of the board & chief executive officer; James R. Stover, president & chief operating officer; Stephen R. Hardis, exec. v.p.-finance & administration; Mellon C. Baird, president-Defense and Electronics Group; William E. Butler, president-Automotive Group; Robert W. Gillison, president-Truck Components Group; Alfred M. Rankin, Jr., president-Industrial Group; John M. Carmont, v.p. & treasurer; John D. Evans, v.p.-human resources; Gerald L. Gherlein, v.p. & general counsel; Herbert Hubben, v.p.-international; John W. Hushen, v.p.-government relations; William R. Kiessel, v.p.-manufacturing services; Ronald L. Leach, v.p.-accounting; John L. Forbis, v.p.-strategic planning; Brock Hattox, v.p. & controller; Warren B. Offutt, v.p.-technical management; J. Bernard Reilly, v.p.-automotive marketing; Richard T. Sadler, v.p. & secretary; Floyd M. Wilkerson, v.p.-administration; Marshall Wright, v.p.-corporate affairs.

Directors: E.M. de Windt*, chairman of the board; Charles A. Anderson, Arthur Dole, III, Carl A. Gerstacker, Charles E. Hugel, Furman C. Moseley, Hooper G. Pattillo, Nicholas R. Petry, Samuel K. Scovil, James R. Stover*, Neil A. Armstrong, J. Donald Rauth, Stephen R. Hardis*, Virginia A. Dwyer, John R. Miller.

* Member of the Executive Committee.

Eaton Corporation

Operating Units:

Vechicle Components:

Mechanical transmissions, drive and trailer axles, brakes, locking differentials, engine valves, hydraulic valve lifters, tire valves, leaf springs, viscous fan drives, power steering pumps, thermostats, air conditioning equipment, and couplings, hose and tubing for the over-the-road truck industry.

Off-Highway Vehicle Components Group:

Mechanical and hydrostatic transmissions, forgings, drive axles, brakes, engine valves, hydraulic valve lifters, hydraulic motors, coupings, hose and tubing.

Passenger Car Components:

Engine valves, hydraulic valve lifters, lease springs, emission control valves, viscous fan drives, speed conrols, tire valves, thermostats, fasteners, automatic temperature controls, heaters and air conditioning equipment.

Electronic and Electrical Group:

Automation Systems and Equipment
Semiconductor wafer fabrication and test equipment; hoisting equipment; electronic test instrumentation; electrical adjustable speed drives; automated materials handiing systems and electromechanical/electronic control systems.

Capital Goods Components
Electromechanical and electronic control devices and assemblies; sensors and human interface devices; programable controllers; switches, relays, counters, polymer hose, hydraulic motors, clutches, brakes and fasteners.

Aerospace and Defense Systems
Avionics and defense electronics; electronic counter measures; air traffic/vessel traffic control systems; radar systems and aerospace power controls.

Consumer Goods Components
Electromechanical and electronic appliance controls; low-voltage power distribution equipment; switches and fasteners.

Transfer Agent(s):

AmeriTrust Company, N.A.
P.O. Box 6477
Cleveland, Ohio 44101

Stock Exchange(s): New York, Midwest, Pacific, London

Ticker Symbol: ETN

Number of Employees:

1984	43,000	1981	48,933
1983	41,707	1980	50,358
1982	40,361		

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 3,509,800	$ 254,400
1983	2,674,100	93,311
1982	2,452,600	(189,600)
1981	2,841,600	82,400
1980	2,779,300	115,800

	No. of Com. Shares	Earn. per Share #
1984	32,580,000	$ 7.85
1983	32,020,359	3.06
1982	28,771,656	—
1981	27,301,831	3.01
1980	26,724,738	4.35

(Loss)
‡ Of continuing operations only.
# Based on the monthly average number of shares outstanding during each year.

Revenues By Line of Business
(000's)

	1984	1983
Electronic & electrical	$ 1,804,000	$ 1,449,000
Vehicle components	1,721,000	1,245,000
Intersegment sales	(15,000)	(20,000)
Total	$ 3,510,000	$ 2,674,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.10	—	—
1983	0.80	—	—
1982	1.72	—	—
1981	1.72	—	—
1980	1.72	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity †	Equity Per Share
1984	$1,188,600,000	$ 36.48
1983	973,341,000	30.40
1982	789,460,275	27.44
1981	1,001,373,445	36.68
1980	988,726,265	37.00

† After allowing for preferred stock at liquidation values.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,509,800	$ 2,674,125
Cost of sales & expenses	3,104,100	2,500,080
Interest expense	51,800	48,461
Losses (earn.) of fin. subsid.	(900)	10,372
Interest income	(41,700)	(14,837)
Other income	(14,600)	(16,392)
Unusual items	—	30,269
Income bef. taxes	$ 411,100	$ 116,172
Income taxes	156,700	22,861
Net Income	$ 254,400	$ 93,311

* Included in Costs and Expenses, Depreciation and Amortization: $91,700,000 in 1984 and $91,171,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 6,000	$ 6,099
Short-term securities	486,700	355,028
Accts. receiv., net	562,700	428,076
*Inventories	461,700	393,949
Def. inc. taxes	66,500	95,135
Other curr. assets	101,400	60,849
Current Assets	$ 1,685,000	$ 1,339,136
Investments in finance subsid.	41,900	37,816
Investments in assoc. cos.	19,200	20,247
#Fixed assets	727,700	712,161
Other assets	50,200	46,780
Intangibles	87,900	89,651
Assets of discont. oper.	—	33,293
Total Assets	$ 2,611,900	$ 2,279,084

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 7,900	$ 9,646
Short-term debt	28,900	20,828
Accts. payable	214,700	173,505
Payrolls & other accruals	316,000	326,167
Taxes	62,200	66,025
Curr. Liabilities	$ 629,700	$ 596,171
Long-term debt	441,100	417,238
Other liab.	190,600	170,160
Deferred inc. taxes	148,800	108,174
+ Serial pref. stock	300	279
+ + Common stock	16,300	16,010
Add. paid-in capital	314,900	293,721
Retained earnings	961,900	744,016
For. curr. trans. adj.	91,700	(66,685)
Total Liabilities & Shareholders' Equity	$ 2,611,900	$ 2,279,084

* At lower of cost (FIFO; LIFO for certain domestic inventories) or market.
# Less accumulated depreciation and amortization.
+ $0.50 stated value.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.71	4.34
%Net Income to Sales	7.25	3.49
%Net Income to Equity	21.17	9.45
Sales to Inventories	7.60	6.79
Working Capital	$1,055,300,000	$742,965,000
Current Ratio	2.68	2.25
Shareholders' Equity	$1,201,700,000	$987,341,000

Echlin Inc.

100 Double Beach Road
Branford, Connecticut 06405
(203) 481-5751

Officers: Frederick J. Mancheski, chairman of the board & chief exec. officer; L.W. McCurdy, president & chief operating officer; David H. Spiller, v.p., secretary & general counsel; Carmen J. Matti, v.p.-manufacturing; Richard B. Patterson, corp. controller; J. William Bowman, asst. v.p.-investments and capital financing; Charles W. O'Connor, asst. secretary; Richard A. Wisot, treasurer.

Directors: Frederick J. Mancheski, chairman of the board; J. William Jaspersen, John E. Echlin, John E. Echlin, Jr., Milton P. DeVane, Eugene J. Muldoon, Raymond G. Dowsett, John F. Gustafson, Phillip S. Myers, Clarence E. Johnson, Larry W. McCurdy

Areas of Work: Manufactures parts and supplies used to maintain or improve the efficiency and safety of motor vehicles including automotive electronic, electro-mechanial, cooling system and fuel system parts. Safety products include hydraulic brake parts, air brake parts, controllers for electric brakes, and additional safety-related products.

Divisions and Subsidiaries:

Ace Electric Company, Inc.
Kansas City, Missouri
Columbus, Kansas

Automotive Controls Corp.
Branford, Connecticut
Independence, Kansas

Blackstone Manufacturing Company
Chicago, Illinois

Brake Parts Company
McHenry & Litchfield, Illinois

Lift Parts Mfg. Co.
Des Plaines, Illinois

Mechanex, Inc.
Englewood, Colorado

Echlin of Puerto Rico
Ponce, Puerto Rico

Midland Brake, Inc.
Paris, Tennessee
Owosso, Michigan

Sensor Engineering Company
Hamden, Connecticut

Tekonsha Engineering Company
Tekonsha, Michigan

Roto-Master, Inc.
North Hollywood, California

Berg Europa, GmbH
Walldorf, West Germany

BWD Automotive of Puerto Rico, Inc.
San Juan, Puerto Rico

BWD International
Franklin Park, Illinois

Berg Manufacturing (U.K.) Ltd.
Blackburn, England

Graubremse GmbH
Heidelberg, West Germany

Echlin Charger Manufacturing Company (Pty.) Limited
Johannesburg, South Africa

Echlin Mexicana S.A. de C.V.
Mexico City, Mexico

Echlin de Venezuela, C.A.
Caracas, Venezuela

Echlin do Brasil, S.A.
Sao Paulo, Brazil

Echlin Australia (Pty.) Ltd.
Melbourne, Australia

Echlin Canada Inc.
Toronto, Canada

Ristance Corporation
Mishawaka, Indiana
Manufactures wire and cable products.

Sierra Supply Company
Litchfield, Illinois

Ajax Die Casting
Broken Arrow, Oklahoma
Aluminum die casting company

Owosso Division
Owosso, Michigan

Paris Division
Paris Tennessee

BWD Automotive Corporation
Franklin Park and Ottawa, Illinois

Echlin Sales/International
Branford, Connecticut

Iola Division
Iola, Kansas

Ballwin-Washington, Inc.
Ballwin, Missouri
Washington, Missouri

Vialle USA, Inc.
Garden Grove, California

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): New York

Ticker Symbol: ECH

Number of Employees:

1984 ...... 9,200 1983 7,800

Plant Footage:

1984 ...... 3,400,000 sq. ft. 1983 316,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 688,971,000	$ 43,820,000
1983	564,497,000	30,732,000
1982	490,567,000	26,532,000
1981	415,747,000	12,737,000
1980	301,400,000	8,769,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	20,696,000	$ 2.12
1983	20,536,000	1.50
1982	20,466,000	1.30
1981	18,300,000	0.70
1980	15,993,000	0.55

‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.07	—	—
1983	0.60	—	—
1982	0.54	—	—
1981	0.52	—	—
1980	0.48	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 260,855,000	$ 12.56
1983	232,073,000	11.26
1982	211,915,000	10.36
1981	199,867,000	9.72
1980	144,164,000	9.00

Income Account *
(000's)

Year ended Aug. 31	1984	1983
Net sales	$ 688,971	$ 564,497
Cost of sales	476,033	389,908
Expenses	136,428	118,036
Interest expense	7,490	10,389
Interest income	(6,997)	(3,808)
Income before taxes	$ 76,017	$ 49,972
Income taxes	32,197	19,240
Net Income	$ 43,820	$ 30,732

* Included in Costs and Expenses, Depreciation and Amortization: $14,088,000 in 1984 and $12,929,000 in 1983.

Assets
(000's)

As of Aug. 31	1984	1983
Cash	$ 12,367	$ 3,786
Accts. receiv.	104,390	92,210
*Inventories	178,950	142,417
Other assets	4,054	6,582
Current Assets	$ 299,761	$ 244,995
#Fixed assets	106,191	94,661
Market. secur.	46,803	40,096
Other assets	19,645	18,325
Total Assets	$ 472,400	$ 398,077

Liabilities
(000's)

	1984	1983
Notes payable	$ 2,391	$ 1,738
Long-term debt, curr	3,346	2,447
Accts. payable	44,810	35,975
Accrued payroll	17,915	15,619
Other accruals	26,074	17,810
Income taxes	28,541	15,652
Curr. Liabilities	$ 123,077	$ 89,241
Long-term debt	72,947	66,039
Deferred inc. taxes	15,521	10,724
+ Common stock	21,035	20,889
Add. paid-in capital	85,850	84,140
Retained earnings	161,772	132,436
For. curr. trans. adj.	(4,807)	(2,397)
Treasury stock	(2,995)	(2,995)
Total Liabilities & Shareholders' Equity	$ 472,400	$ 398,077

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	11.03	8.85
% Net Income to Sales	6.36	5.44
% Net Income to Equity	16.80	13.24
Sales to Inventories	3.85	3.96
Working Capital	$176,684,000	$155,754,000
Current Ratio	2.44	2.74
Shareholders' Equity	$260,855,000	$232,073,000

EDO Corporation

14-04 111th Street
College Point, New York 11356-1434
(718) 445-6000

Officers: William R. Ryan, chairman of the board; Gerald Albert, president; John H. Meyn, vice president-administration and secretary; Michael J. Hegarty, v.p.-finance & treasurer; Charles F. Anderson, Jr. assistant secretary.

Directors: Earl D. Osborn, William R. Ryan, Michael J. Hegarty, Robert A. Lapetina, H. Struve Hensel, James T. Pyle, Richard Rachals, Gerald Albert, James S. Coles, John H. Meyn, Ralph O. Romaine, Frank Fariello.

Areas of Work: Produces electronic systems and equipment, electro-mechanical devices and fiber reinforced composites for civil and military aviation, ocean navigation and underwater detection, surveillance and exploration.

Divisions:

EDO Government Systems Division
14-04 111th Street
College Point, New York 11356-1434
(718) 445-6000

Washington Office
2001 Jefferson Davis Highway
Arlington Virginia 22202
(703) 521-5260

Encompasses an integrated capability for total system development from initial concept through research and engineering, manufacturing and life cycle logistic support; shipboard sonar products, such as the variable depth sonar; the helicopter towed hydrofoil sea sled, and other products in the fields of antisubmarine warfare, airborne mine countermeasures systems, aircraft ejection release units, and seaplane floats.

Western Division
2645 South 300 West
Salt Lake City, Utah 84115-2968
(801) 486-7481

Oceanograhic and marine navigation instrumentation; sonar doppler navigation equipment; graphic recorders, piezoelectric ceramics, acoustic devices underwater video systems and equipment.

ELINCO Division
272 Main Avenue
Norwalk, Connecticut 06851-6197
(203) 847-5861

Designs and manufactures specialized rotating components for major electronic companies, including standard and temperature compensated DC tachometers; AC permanent magnet tachometers, induction generators; AC induction and torque motors; shunt, series, compound, universal, torque and permanent magnet DC motors; hysteresis and reluctance type synchronous motors.

Fiber Science, Division
P.O. Box 535227
506 North Billy Mitchell Road
Salt Lake City, Utah 84116-5227
(801) 539-0747

Engaged in the filament winding of reinforced plastic composites for commercial aircraft water and waste system tanks, ducting and fittings; the development of hardware for military helicopters and aircraft; plastic products such as chemical tanks, fish farming equipment and molded fiberglass building units.

EDO Corporation

Transfer Agent(s):

Bradford Securities Operations, Inc.
Fort Lee Executive Park
Fort Lee, New Jersey 07024

Stock Exchange(s): New York

Ticker Symbol: EDO

Number of Employees:

1984	N.A.	1981	1,855
1983	1,417	1980	1,916
1982	N.A.		

Plant Footage:

1984	N.A.	1981	805,000
1983	672,000 sq. ft.	1980	840,000
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 122,877,000	$ 11,835,000
1983	110,550,000	10,067,000
1982	101,794,000	(1,678,000)
1981	92,478,000	3,292,000
1980	73,541,000	2,548,000

	No. of Com. Shares‡	Earn. per Share‡
1984	8,600,000	$ 1.38
1983	8,225,000	1.22
1982	7,650,000	—
1981	8,807,000	0.37
1980	8,775,000	0.29

+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Military systems	$ 84,563,000	$ 75,918,000
Marine systems & spec. prod	38,314,000	34,632,000
Total	$ 122,877,000	$ 110,550,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.23	—	—
1983	0.19	50%&50%‡	—
1982	0.15	50%	—
1981	0.11	10%	—
1980	0.11	—	—

+ Adjusted to reflect stock dividends.
‡ Paid Feb. 23, 1984.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 68,962,000	$ 8.49
1983	62,751,000	7.52
1982	22,031,000	3.27
1981	36,435,000	4.19
1980	33,749,059	3.89

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 122,877,000	$ 110,550,000
Interest income	10,173,000	7,509,000
Other income	159,000	441,000
Total income	$ 133,209,000	$ 118,500,000
Cost of sales	95,496,000	84,323,000
Expenses	10,138,000	10,357,000
Research & devel.	3,205,000	2,809,000
Pension plans	2,687,000	2,450,000
Interest expense	507,000	571,000
Income before taxes	$ 21,176,000	$ 17,990,000
Income taxes	9,341,000	7,923,000
Net Income	$ 11,835,000	$ 10,067,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,134,000 in1984 and $2,672,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 96,706,000	$ 95,902,000
Income taxes	1,937,000	—
Accts. receiv., net	17,256,000	18,361,000
*Inventories	18,261,000	16,425,000
Prepaid expenses	306,000	94,000
Current Assets	$ 134,466,000	$ 130,782,000
#Fixed assets	22,539,000	19,810,000
Defer. charges & other assets	1,225,000	1,092,000
Total Assets	$ 158,230,000	$ 151,684,000

Liabilities

Long-term debt, curr.	$ 625,000	$ 625,000
Accts. payable & accruals	12,670,000	15,384,000
Contract advances & deposits	56,276,000	52,980,000
Income taxes	—	9,550,000
Curr. Liabilities	$ 69,571,000	$ 78,539,000
Long-term debt	3,710,000	4,618,000
Deferred inc. taxes	15,987,000	5,776,000
+Common stock	8,454,000	8,507,000
Add. paid-in capital	33,981,000	37,041,000
Retained earnings	31,426,000	21,487,000
Treasury stock	(4,593,000)	(3,639,000)
Long-term incent. plan	(306,000)	(645,000)
Total Liabilities & Shareholders' Equity	$ 158,230,000	$ 151,684,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value. .

Statistical Summary

%Income bef. Taxes to Sales	17.23	16.27
%Net Income to Sales	9.63	9.11
%Net Income to Equity	17.16	16.04
Sales to Inventories	6.73	6.73
Working Capital	$64,895,000	$52,243,000
Current Ratio	1.93	1.67
Shareholders' Equity	$68,962,000	$62,751,000

EECO Incorporated

(formerly Electronic Engineering
Company of California)

P.O. Box 659
1601 East Chestnut Avenue
Santa Ana, California 92702
(714) 835-6000

Officers: Robert C. Milo, president & chief exec. officer; Burgess Dempster, chairman of the board; Robert B. Bonney, vice chairman; A.W. Finamore, v.p., chief financial officer & secretary; Robert F. Meinicke, v.p. & div. mgr.-Component Products Division; Robert W. Allen, v.p.-administration; Carl Jeremias, v.p. & president-EECO Computer, Inc.; John M. Ludutsky, v.p. & div. mgr.-Video Products Division.

Directors: Burgess Dempster, chairman; John F. Bishop, R.B. Bonney, Fred A. Taylor, Patrick F. Cadigan, J.J. Shelton, William J. Bowers.

Areas of Work: Develops and manufactures passenger entertainment controls for airlines; thumbwheel and membrane switches; electronic packaging hardware, programming "software" and panel wiring services, modular socket assemblies and companion card files; punched tape readers; electronic video/audio editing equipment; editing equipment; telecommunications equipment; hotel computer systems.

Divisions & Subsidiaries:

Maxi-Switch Company
9697 East River Road
Minneapolis, Minnesota 55433
(612) 755-7660

Membrane Switch Operations
2949 North 31st Avenue
Pheonix, Arizona 85107
(602) 272-5645

EECO Ltd.
Trafalgar Way
Bar Hill, Cambridge
CB3 8SQ, England

Transfer Agent(s):

Crocker National Bank
55 New Montgomery Street
Suite 406
San Francisco, California 94105

Stock Exchange(s): American

Ticker Symbol: EEC

Number of Employees:

1984	778	1981	711
1983	643	1980	756
1982	702		

Sales and Earnings

	Net Sales	Net Income
1984	$ 46,418,000	$ 1,244,000
1983	35,284,000	1,055,000
1982	35,282,000	(659,000)
1981	36,124,000	1,162,000
1980	42,644,000	5,261,000

	No. of Com. Shares #	Earn. per Share #
1984	2,570,000	$ 0.48
1983	2,560,157	0.41
1982	2,530,622	—
1981	2,530,261	0.46
1980	2,462,366	2.14

# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Switch prods.	$24,424	53%	$12,704	36%
Air transport prods.	9,072	20	7,547	21
Mini-computer	11,777	25	9,720	28
Peripheral prods.	—	—	2,146	6
Electr. pkgng. prods.	—	—	2,261	6
Video prods.	1,145	2	906	3
Total	$46,418	100%	$35,284	100%

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.29	—	—
1982	0.28	—	—
1981	0.25	—	—
1980	0.20	—	3-for-2

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 20,535,000	$ 7.99
1983	20,065,000	7.84

1982	19,531,000	7.72
1981	20,886,000	8.25
1980	19,844,000	8.06

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 46,418,000	$ 35,284,000
Cost of sales	28,438,000	20,702,000
Res. and develop.	4,273,000	4,035,000
Expenses	13,519,000	10,672,000
Interest expense (income)	92,000	(156,000)
Gain on sales of prod. groups	—	(1,728,000)
Income before taxes	$ 96,000	$ 1,759,000
Income taxes (credit)	(1,148,000)	704,000
Net Income	$ 1,244,000	$ 1,055,000

*Included in Costs and Expenses, Depreciation: $2,168,000 in 1984 and $1,973,000, in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 607,000	$ 7,838,000
Accts. receiv., net	6,522,000	4,182,000
Income taxes receiv.	—	200,000
*Inventories	9,959,000	7,391,000
Prepaid expenses	234,000	222,000
Deferred taxes	503,000	292,000
Current Assets	$ 17,825,000	$ 20,125,000
#Fixed assets	11,884,000	9,133,000
Intangibles	2,861,000	—
Other assets	608,000	830,000
Total Assets	$ 33,178,000	$ 30,088,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 70,000	$ 52,000
Accts. payable	1,779,000	1,629,000
Notes payable	1,675,000	—
Accrued payroll	1,431,000	1,039,000
Amount due for cos. acg.	800,000	—
Accrued group insur.	292,000	278,000
Other liabilities	1,765,000	998,000
Curr. Liabilities	$ 7,812,000	$ 3,996,000
Long-term debt	3,822,000	3,736,000
Deferred inc. taxes	1,009,000	2,291,000
+ Common stock	5,793,00	5,622,000
Retained earnings	14,998,000	14,564,000
Eq. adjust. from for. curr. trans.	(256,000)	(121,000)
Total Liabilities & Shareholders' Equity	$ 33,178,000	$ 30,088,000

* At lower of average cost or market (net realizable value).
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	0.21	4.99
%Net Income to Sales	2.68	2.99
%Net Income to Equity	6.06	5.26
Sales to Inventories	4.66	4.77
Working Capital	$10,013,000	$16,129,000
Current Ratio	2.28	5.04
Shareholders' Equity	$20,535,000	$20,065,000

EG&G, Inc.

45 William Street
Wellesley, Massachusetts 02181
(617) 237-5100

Officers: Bernard J. O'Keefe, chairman of the board; Dean W. Freed, president & chief exec. officer; David J. Beaubien, Charles C. Francisco, John M. Kucharski, Joseph Giuffrida, George H. Gage, sr. vice presidents; John. K. Buckner, sr. v.p.-finance; Harold D. Cunningham, Jean R. Erkelbout, Samuel Rubinovitz, Louis P. Valente, v.p.'s; Leo M. Kelly, v.p., general counsel & clerk; Peter A. Broadbent, treasurer; John R. Dolan, controller.

Directors: Bernard J. O'Keefe, Dean W. Freed, Kent F. Hansen, Roderick M. MacDougall, John N. Philips, William F. Pounds, Joseph F. Turley, Robert F. Goldhammer, John B. Gray, G. Robert Tod.

Divisions and Subsidiaries:

INSTRUMENTS

ORTEC Incorporated
100 Midland Road
P.O. Box C
Oak Ridge, Tennessee 37830
(615) 482-4411

Radiation detectors and associated electronics for nuclear research, radiation monitoring, materials analysis, and industrial quality control.

Princeton Applied Research Corporation
7 Roszel Road
P.O. Box 2565
Princeton, New Jersey 08540
(609) 452-2111

Electronic signal detectors and analyzers for plasma research, fiberoptic measurements, laser diagnostics and quality control in the manufacture of semiconductors and magnetic recording media. Electrochemical instruments for analysis of wastewater, foods and medicine, and corrosion rates.

Geometrics, Inc.
395 Java Drive
P.O. Box 497
Sunnyvale, California 94086
(408) 734-4616

Geophysical survey instrumentation. Specifically, airborne and marine magnetometers, gammaray spectrometers, seismographs, and related recording equipment. Slim-hole logging instruments for natural resource exploration. Airborne surveys for mineral and energy-resource exploration.

EG&G International, Inc.
Environmental Equipment Division
151 Bear Hill Road
Waltham, Massachusetts 02254
(617) 890-3710

Oceanographic, meteorological, and geophysical instruments and systems for offshore oil and gas exploration, environmental monitoring, research, and industry. Specifically, bottom and subbottom profiling systems, current meters, acoustic release systems, telemetry equipment acoustic transponder navigation systems, and dewpoint hygrometers.

EG&G Chandler Engineering Company
7707 East 38th Street
Tulsa, Oklahoma 74145
(918) 627-1740

Oil-well cement-cure test chambers and pressure-calibration standards for energy exploration. Specifically consistometers and dead-weight testers used by oil, gas, and pipeline companies.

COMPONENTS

Rotron Incorporated
7 Hasbrouck Lane
Woodstock, New York 12498
(914) 679-2401

Fans and blowers for cooling electronic equipment and for industrial applications. Motors and related drive systems for computer peripherals and industrial machinery. Power supplies for military and industrial uses. Protective enclosures for printed circuit boards. Heat-transfer devices for semiconductor cooling and systems for testing integrated-circuit devices.

EG&G Sealol, Inc.
15 Pioneer Avenue
Warwick, Rhode Island 02888
(401) 781-4700

Precision mechanical seals an welded metal-bellows devices to contain and control system fluids, control product leakage, and provide worker and environmental protection in systems involving engines, motors, gearboxes, pumps, and compressors. Applications in aerospace, marine, military, petrochemical, chemical processing, pulp and paper, automotive, and home-appliance markets. Tensioner systems for manway covers. Solenoid and mechanical valves for aerospace, defense, and industrial applications.

EG&G, Inc.
Electro-Optics Division
35 Congress Street
Salem, Massachusetts 01970
(617) 745-3200

Flashtubes and power supplies for phototypesetters, office copiers, laser scribers, and microfilm equipment and for use in stroboscopy, material curing, beaconry and laser-fusion research Silicon photodiodes and instruments for detecting and measuring light. Instruments and systems to measure optical radiation. Precision timers. Automate light-sensing switches.

Reticon Corporation
345 Potrero Avenue
Sunnyvale, California 94086
(408) 738-4266

Signal-processing devices for communications, computer, musical-instrument, and speech-recognition applications. Modem filters for data communications. Photodiode arrays for optical character recognition and facsimile transmission and image sensors for industrial quality, and process control. Camera sensor systems for industrial automation, robotics, and noncontact measurement, inspection, and control.

ENVIRONMENTAL AND BIOMEDICAL SERVICES

EG&G Services Singapore PTE. Ltd.
EG&G Geophysical Services
Pasir Panjaug P.O. Box No. 5
Singapore 9111
2876122, 2876324

Oceanographic and hydrographic services for oil- and gas-exploration companies operating in southeast Asian waters.

GES Pty. Ltd.
P.O. Box 507
Archerfield
QLD 4108
Australia

Land-based geophysical services for oil- and gas-exploration companies in Australia.

EG&G Automotive Research, Inc.
5404 Bandera Road
San Antonio, Texas 78238
(512) 684-2310

Service to the automotive and petroleum industries and to the federal government by means of mobile and stationary testing of passenger cars, trucks, motorcycles, fuels, lubricants, automotive components, and vehicle emissions.

EG&G Mason Research Institute, Inc.
57 Union Street
Worcester, Massachusetts 01608
(617) 791-9831

Biomedical cancer research Commercial toxicology and studies in reproductive physiology an drug abuse. *In vivo* testing to evaluate the effectiveness of products developed for cancer diagnosis and treatment.

CUSTOM SERVICES AND SYSTEMS

EG&G Florida, Inc.
410 Highpoint Drive
Cocoa, Florida 32926
(305) 631-7300

Institutional and technical support services to NASA's Kennedy Space Center. Management of technical operations, administrative services, utilities, facilities, and health and safety services at KSC.

EG&G Washington Analytical Services Center, Inc.
1396 Piccard Drive
Rockville, Maryland 20850
(301) 840-3000

Planning, engineering, management support to U.S. defense, energy, and space programs. Scientific instrumentation and field support on military programs being conducted by the U.S. and by foreign governments.

EG&G Services, Inc.
P.O. Box 2266
185 South Capital Avenue
Idaho Falls, Idaho 83403
(208) 429-8700

Scientific support to the nuclear industry and to others in government and industry requiring high-technology applications engineering. Engineering related to the U.S. Air Force Space Shuttle launch program.

EG&G, Inc.

EG&G, Inc.
Electronic Components Division
35 Congress Street
Salem, Massachusetts 01970
(617) 745-3200 ·

High-reliability electronic components (thyratrons, sprytrons, krytrons, spark gaps, and over-voltage gaps) and associated assemblies for defense and energy programs and for industrial applications.

EG&G Special Projects, Inc.
2755 E. Desert Inn Road
P.O. Box 15110 (Zip 89114)
Las Vegas, Nevada 89121
(702) 369-3000

Technical and field support to Department of Defense agencies.

EG&G Intertech, Inc.
Crystal Square II
Suite 1200-B
1725 Jefferson David Highway
Arlington, Virginia 22202
(703) 553-4300

Engineering, technical management, and acquisition support to foreign nations.

DEPARTMENT OF ENERGY SUPPORT

EG&G Idaho, Inc.
PO Box 1625
Idaho Falls, Idaho 83415
(208) 526-0111

Support to nuclear and non-nuclear energy programs at the Idaho National Engineering Laboratory. Management and operation of facilities for research and development in reactor safety, materials irradiation, fusion safety, and nuclear-waste management.

EG&G Energy Measurements, Inc.
Las Vegas Operations
2621 N. Losee Road (North Las Vegas)
P.O Box 1912
Las Vegas, Nevada 89125
(702) 295-5511

Technical and scientific support in nuclear weapons effects testing and in non-nuclear energy programs. Airborne radiation surveillance and remote sensing.

Reynolds Electrical & Engineering Co., Inc.
2501 Wyandotte Street
P.O. Box 14400
Las Vegas, Nevada 89114
(702) 295-3379

Management and support functions at DOE's Nevada Test Site. Services including electrical and architectural engineering facility and road construction and maintenance, nuclear-waste management, large-diameter and conventional drilling, mining and tunneling, radiation monitoring, medical and health care, communications, occupational safety, fire protection, and dosimetry and fall-out research.

Acquisition(s):

Cinox Corporation
4914 Gray Road
Cincinnati, Ohio 45232
(513) 542-5555

Manufactures quartz crystals and high performance crystal-based oscillators for frequency control and stabilization in commercial and military electronic systems.

Neil Brown Instrument Systems, Inc.
1140 Route 28A
P.O. Box 498
Cataumet, Massachusetts 02534
(617) 563-9317

Manufactures precision electron physical-measurement instrumentation for oceanographic applications.

EG&G Birtcher Industrial Products
4505 North Arden Drive
P.O. Box 5268
El Monte, California 91734
(818) 442-2572

Manufactures printed circuit board (PCB) card guides, accessory products, and PCB racks and enclosures.

CEA Berkleonics, Inc.
1 Aerovista Park
San Luis Obispo, California 93401
(805) 544-5454

Manufactures switching power supplies used with commercial main-frame computers, computer peripherals, and microprocessor systems.

Transfer Agent(s):

The First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, Massachusetts 02102

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: EGG

Number of Employees:

1984	22,000	1981	18,000
1983	19,900	1980	17,000
1982	18,700		

Plant Footage:

1984	3,800,000 sq. ft.	1981	3,351,480
1983	3,400,800	1980	3,342,510
1982	3,520,945		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$1,071,653,000	$ 53,539,000
1983	904,237,000	46,645,000
1982	808,925,000	39,854,000
1981	725,692,000	35,149,000
1980	631,858,000	27,583,000

	No. of Com. Shares +	Earn. per Share +
1984	28,541,000	$ 1.88
1983	29,955,673	1.56
1982	29,411,074	1.36
1981	29,091,764	1.21
1980	N.A.	0.96

N.A.-Not Available.
‡ Includes contract revenues.
+ Based on weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Instruments	$ 97,343,000	$ 94,252,000
Components	303,710,000	241,988,000
Environmental & biomedical service	48,913,000	44,936,000
Custom services & systems	288,435,000	247,175,000
Dept. of energy tech. support	333,252,000	275,886,000
Total	$1,071,653,000	$ 904,237,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.36	—	—
1982	0.32	—	—
1981	0.25	—	2-for-1
1980	0.20	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 149,846,000	$ 5.25
1983	215,208,000	7.18
1982	176,666,000	6.01
1981	141,453,000	4.86
1980	112,297,000	N.A.

# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Net sales & contract revenues	$ 1,071,653	$ 904,237
Cost of sales	878,269	739,823
Expenses	120,825	105,753
Fee from non-tech. supp. serv.	(8,160)	(5,900)
Other income	(4,263)	(13,149)
Income before taxes	$ 84,982	$ 77,710
Income taxes	31,443	31,065
Net Income	$ 53,539	$ 46,645

* Included in Costs and Expenses, Depreciation and Amortization: $13,002,000 in 1984 and $9,941,000 in 1983.

Assets
(000's)

As of	12/30/84	1/1/84
Cash & short-term invest.	$ 18,326	$ 93,466
Accts. receiv., net	147,656	110,266
*Inventories	70,829	49,382
Other curr. assets	8,249	3,916
Current Assets	$ 245,060	$ 257,030
#Fixed assets	32,769	27,451
Other assets	109,494	54,729
Total Assets	$ 387,323	$ 339,210

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 81,368	$ 4,986
Acct. payable	41,028	36,262
Accruals	61,656	47,604
Income taxes	20,840	14,571
Curr. Liabilities	$ 204,892	$ 103,423
Long-term debt	15,256	11,300
Deferred inc. taxes	12,649	4,857
Other liabilities	4,680	4,422
+ Common stock	30,494	30,258
Add. paid-in capital	16,743	13,099
Retained earnings	219,070	177,433
Cum. trans. adjust.	(6,049)	(3,509)
Treasury stock	(110,412)	(2,073)
Total Liabilities & Shareholders' Equity	$ 387,323	$ 339,210

* At lower of cost (primarily LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.93	8.59
%Net Income to Sales	5.00	5.16
%Net Income to Equity	35.73	21.67
Working Capital	$ 40,168,000	$153,607,000
Current Ratio	1.20	2.49
Shareholders' Equity	$149,846,000	$215,208,000

E-H International, Inc.

696 East Trimble Road
San Jose, California 95131
(408) 946-9100

Officers: Reginald R. Kearton, chairman; W.W. Vallandigham, vice-chairman; William F. Mahoney, president and chief executive officer; Gary L. Irvine, president-E-H Electronics; George D. Rivers, president-MiniComputer Technology; John M. Peterson, v.p., chief financial officer and asst. corp. secretary; G. Richard Peterson, president-Golden Technology, Inc.; Frederick J. Anderson, president-Tylus Systems, Inc.; Kenneth S. Carey, corporate secretary.

Directors: Kenneth S. Carey, Reginald R. Kearton, William Lashlee, Frederick J. Anderson, John R. Fitzgerald, G. Richard Peterson, W. W. Vallandigham, William R. Mahoney.

Areas of Work: Manufactures and markets high technology automatic test instrumentation, state-of-the-art computer disk and tape controllers, and multi-layer printed circuit boards. E-H Oakland division designs and manufactures pulse generators, waveform analyzers and microwave/counters for use by the semiconductor, military/aerospace, and computer industries as components in automatic test equipment (ATE) systems. MiniComputers Technology designs computer peripheral controllers which interface OEM minicomputers to a wide variety of disk and tape drives. These products are sold entirely to OEMs. Golden Technology manufactures state-of-the-art custom double-sided and multi-layer printed circuit boards for large OEMs, and also provides engineering prototype printed circuit board services through Golden Engineering.

Operating Groups:

E-H Oakland
7303 Edgewater Drive
Oakland, California 94621
(415) 638-5656

Mini Computer Technology, Inc.
696 East Trimble Road
San Jose, California 95131
(408) 942-1616

Golden Technology, Inc.
3745 Edward Avenue
Santa Clara, California 95050
(408) 988-5161

E-H International, Inc.
125 Highgrove Street
Reading, Berkshire RGI 5EN
United Kingdom

Acquisition(s):

Tylus Systems, Inc.
4940 East La Palma Avenue
Anaheim, California 92807
(714) 970-9321
Manufactures, designs and sells custom electronic systems.

Transfer Agent(s):

Bank of America
Corporate Agency Division
201 Mission Street
San Francisco, California 94105

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EHIL (NASDAQ)

Number of Employees:

1984 238

Plant Footage:

1984 . . . . . . 83,950 sq. ft.

Sales and Earnings ‡

	Revenues	Net Income
1984	$ 25,416,000	$ 2,222,000
1983	18,745,000	(829,000)
1982	15,539,000	(499,000)
1981	9,714,000	(192,000)
1980	11,199,000	(395,000)

	No. of Com. Shares #	Earn. per Share #
1984	3,511,000	$ 0.69
1983	3,154,000	—
1982	3,067,000	—
1981	1,720,000	—
1980	1,474,000	—

(Loss)
‡ Restated to include operations of Pylus Systems Inc. acquired on a pooling of interests basis.
# Based on the weighted average number of shares outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share#
1984	$ 2,358,000	$ 0.67
1983	2,446,000	0.78
1982	2,944,000	0.96
1981	3,046,000	1.77

‡ Restated
# Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net revenues	$ 25,416	$ 18,745
Cost of revenues	15,003	10,773
Expenses	7,493	8,509
Oper. profit (Loss)	$ 2,920	$ (537)
Interest expense	576	386
Interest income	(291)	(90)
Income (loss) bef. taxes	$ 2,635	$ (833)
Income taxes (credit)	413	(4)
Net Income (Loss)	$ 2,222	$ (829)

* Included in Costs and Expenses, Depreciation and Amortization: $647,000 in 1984 and $558,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983 ‡
Cash	$ 411	$ 55
Receiv., net	4,045	3,158
*Inventories	3,119	3,282
Prepaid expenses	177	236
Current Assets	$ 7,752	$ 6,731
#Fixed assets	1,727	2,068
Notes receiv.	114	161
Other assets	75	84
Intangibles	402	446
Total Assets	$ 10,070	$ 9,490

Liabilities
(000's)

	1984	1983 ‡
Notes payable & long-term debt, curr.	$ 2,664	$ 1,847
Accts. payable	1,567	1,541
Accrued expenses	1,074	1,376
Inc. taxes payable	222	58
Deferred inc. taxes	676	479
Curr. Liabilities	$ 6,203	$ 5,301
Long-term debt	1,509	1,743
+ Common stock	4,896	3,774
Accumulated deficit	(2,538)	(1,328)
Total Liabilities & Shareholders' Equity	$ 10,070	$ 9,490

‡ Restated
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

	1984	1983
%Income before Taxes to Sales	10.37	—
%Net Income to Sales	8.74	—
%Net Income to Equity	94.23	—
Working Capital	$1,549,000	$1,430,000
Current Ratio	1.25	1.27
Shareholders' Equity	$2,358,000	$2,446,000

EIP Microwave, Inc.

4500 Campus Drive, Suite 235
Newport Beach, California 92660
(714) 756-8171

Officers: John F. Bishop, chairman of the board; Mark K. Howlett, vice chairman of the board; L.R. Foster, president; Richard A. Bush, v.p.-government sales; Larry F. Miller, v.p.-strategic planning; George D. Clark, vp.-finance; Hugh R. McDonald, secretary & treasurer.

Directors: John F. Bishop, Mark K. Howlett, Burgess Dempster, J. Bradford Bishop, Robert D. Johnson, James J. Shelton, J. Sidney Webb.

Areas of Work: Develops, manufactures and markets electronic test instrumentation, including automatic microwave frequency counters and signal sources.

Subsidiary:

Domestic International Sales Corporation (Disc)

Joint Venture:

EIP/Cushman, Inc. (50% owned)

Transfer Agent(s):

First Interstate Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EIPM (NASDAQ)

Number of Employees:

1984 . . . . . . 236 1983 208

Plant Footage:

1984 . . . . . . 51,300 sq. ft. 1983 51,300

Sales and Earnings

	Net Sales ‡	Net Income ‡
1984	$ 20,559,000	$ 1,823,000
1983	18,369,000	1,528,000
1982	14,931,000	1,253,000
1981	10,631,000	750,000
1980	7,577,000	48,000

	No. of Com. Shares †	Earn. per Share #
1984	2,210,816	$ 0.80
1983	2,263,866	0.66
1982	2,270,116	0.55
1981	2,270,116	0.33
1980	2,095,090	0.02

‡ Of continuing operations only.
† Adjusted to reflect stock split.
# Based on the average number of common shares and common shares equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.08	—	2-for-1
1982	0.06	—	—
1981	0.05	—	—
1980	0.04	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 6,106,000	$ 2.76
1983	5,218,000	2.30
1982	4,046,000	1.78
1981	2,928,000	1.29
1980	2,085,000	1.00

‡ Adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 20,559,000	$ 18,369,000
Cost of sales	8,951,000	8,416,000
Expenses	8,685,000	7,540,000
Interest expense	120,000	26,000

Income before taxes	$ 2,803,000	$ 2,387,000
Income taxes	980,000	859,000
Net Income	$ 1,823,000	$ 1,528,000

*Included in Costs and Expenses. Depreciation and Amortization: $678,000 in 1984 and $690,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 209,000	$ 196,000
Accts. receiv., net	4,164,000	3,710,000
*Inventories	5,175,000	3,274,000
Prepaid expenses	66,000	61,000
Current Assets	$ 9,614,000	$ 7,241,000
#Fixed assets	2,952,000	1,822,000
Other assets & investments	396,000	472,000
Total Assets	$ 12,962,000	$ 9,535,000

Liabilities

Short-term debt	$ 600,000	$ 450,000
Accounts payable	2,287,000	1,050,000
Accruals	1,644,000	1,587,000
Income taxes	933,000	372,000
Deferred income taxes	536,000	619,000
Curr. Liabilities	$ 6,000,000	$ 4,078,000
Long-term debt	733,000	—
Deferred income taxes	22,000	120,000
Deferred gain on sale	101,000	119,000
+Common stock	689,000	692,000
Retained earnings	5,417,000	4,526,000
Total Liabilities & Shareholders' Equity	$ 12,962,000	$ 9,535,000

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income before Taxes to Sales	13.63	12.99
%Net Income to Sales	8.87	8.32
%Net Income to Equity	29.86	29.28
Sales to Inventories	3.97	5.61
Working Capital	$3,614,000	$3,163,000
Current Ratio	1.60	1.78
Shareholders' Equity	$6,106,000	$5,218,000

Electric Regulator Corporation

Pearl Street
Norwalk, Connecticut 06852
(203) 847-0431

Officers: James Ettinger, president; Richard J. Warren, exec. v.p.; Archibald M. Tomlinson, treasurer; Christian Otteson, v.p.; Stephen A. Malone, secretary.

Directors: James Ettinger, Richard J. Warren, Christian Otteson.

Areas of Work: Products include: direct current motors, controls and operators' stations for fractional ratings to 1,000 HP; combination of solid state braking accessory with standard DC drives for specialized uses in metal cutting, winding, and paper converting; fully controlled acceleration and deceleration for smooth starting, stopping and braking of alternating current induction motors, and solid state control systems for electric vehicles such as fork lift trucks, utility vehicles and construction machinery; high power semiconductors for controlling AC or DC power.

Subsidiaries:

Power Semiconductors, Incorporated
Electricar Corp.
Electric Regulator International, Inc.

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1983	$ 5,359,552	$ 142,394
1982	7,213,760	(66,641)
1981	6,544,832	(199,465)
1980	6,615,397	253,019
1979	6,811,765	197,712

	No. of Com. Shares ‡	Earn. per Share ‡#
1983	1,115,676	$ 0.13
1982	1,115,676	—
1981	1,115,676	0.18
1980	1,115,676	0.23
1979	1,115,676	0.18

(Loss)
‡ Based on the average number of shares outstanding.
# Including extraordinary gain of $77,492 ($0.07 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 1,391,668	$ 1.25
1982	1,249,274	1.12
1981	1,316,255	1.18
1980	1,515,720	1.36
1979	1,262,701	1.13

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Oct. 31	1983	1982
Net sales	$ 5,359,552	$ 7,213,760
Cost of sales	2,953,539	5,430,619
Expenses	2,363,796	1,885,398
Interest income	(44,682)	(8,755)
Inc. (loss) bef. taxes	$ 86,899	$ (93,502)
Tax credit	(55,495)	(26,861)
Net Income (Loss)	$ 142,394	$ (66,641)

* Included in Costs and Expenses, Depreciation and Amortization: $61,095 in 1983 and $66,816 in 1982.

Assets

As of Oct. 31	1983	1982
Cash	$ 778,560	$ 334,908
Receiv., net	1,047,866	1,197,744
Inventories	609,528	920,077
Prepaid expenses	58,255	54,585
Income taxes	45,305	24,089
Current Assets	$ 2,539,514	$ 2,531,403
Other assets	24,600	17,535
#Fixed assets	178,247	93,665
Total Assets	$ 2,742,361	$ 2,642,603

Liabilities

Accts. payable	$ 422,010	$ 429,253
Accruals	711,656	711,521
Acrued warranty costs	200,000	200,000
Income taxes	17,027	52,555
Curr. Liabilities	$ 1,350,693	$ 1,393,329
+Common stock	111,568	111,568
Add. paid-in capital	2,166,767	2,166,767
Retained earnings	1,982,539	1,840,145
Reacquired stock	(2,869,206)	(2,869,206)
Total Liabilities & Shareholders' Equity	$ 2,742,361	$ 2,642,603

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation & amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.62	—
%Net Income to Sales	2.66	—
%Net Income to Equity	10.23	—
Sales to Inventories	8.79	7.84
Working Capital	$1,188,821	$1,138,074
Current Ratio	1.88	1.82
Shareholders' Equity	$1,391,668	$1,249,274

Electro Audio Dynamics, Inc.

98 Cutter Mill Road
Great Neck, New York 11021
(516) 466-5100

Officers: Martin Bader, chairman of the board & chief exec. officer; H. Ridgely Bullock, chairman of the executive committee; Robert P. Laino, sr. v.p.-finance, administration & treasurer; Andrew J. Bernardo, v.p. & controller; Edward M. Siegel, v.p., secretary & general counsel.

Directors: Martin Bader, chairman; Edward Brodsky, Monty R. Haymon* Herbert M. Stein*, H. Ridgely Bullock*, Robert P. Laino, Irving L. Quitko.

* Member of Executive Committee.

Areas of Work: Manufactures electrical products including indoor TV and FM antennas, precision motors, circuit connecting devices, printed circuit boards, precision mechanical components, timing devices, sound measuring equipment and medical instrumentation.

Divisions and Subsidiaries:

Electro Mechanical Products Group

Technodyne Inc. (81.5% owned)

Eastern Air Devices Motor Division
1 Progress Drive
Dover, New Hampshire 03820
(603) 742-3330

Produces high performance fractional and subfractional horsepower AC and DC motors, stepper, servo, instrument and gear motors. Also manufactures blowers used in computers, copying machines, communications apparatus and industrial control devices.

National Tel-Tronics, Inc.
Meadville, Pennsylvania; Laredo, Texas; Erie Pennsylvania

Makes terminal strips and boards for commercial and military use, plugs and jacks, anode connectors and related items for television, radio, and high-fidelity equipment; also insulating materials, terminal and printed circuit boards.

Astro Circuit Corp.
100 Hale Street
Lowell, Massachusetts 01851
(617) 458-6440

Engineers, designs and fabricates high density printed circuit boards sold to the electronic industry for use in subassemblies and modules.

American Electromedics Corp. (80% owned)
13 Sagamore Park Road
Hudson, New Hampshire 03051
(617) 263-3986

Antenna and Other Products Group

All Channel Products
42-40 Bell Plaza
Bayside, New York 11361
(212) 229-5900

Produces indoor television and FM antennas marketed under the trade name "Rembrandt" as well as under the private name of certain customers.

Transfer Agent(s):

United States Trust Company of New York
45 Wall Street
New York, New York 10005

J. Henry Schroder Bank & Trust Company
1 State Street
New York, New York 10015

American Transfer Company

Shawmut Worcester County Bank, N.A.

Stock Exchange(s): American

Ticker Symbol: EAD

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 36,024,000	$ 169,000
1983	39,205,000	(759,000)
1982	34,642,000	(9,937,000)
1981	32,596,000	(3,141,000)
1980	32,436,000	(130,000)

	No. of Com. Shares #	Earn. per Share #†
1984	2,714,220	$ 0.05
1983	2,027,628	—
1982	1,811,269	—
1981	1,781,874	—
1980	1,738,823	—

(Loss)
+ Of continuing operations only.
† Including extraordinary gains of $151,000 ($0.06 per share) in 1984, $2,151,000 in 1983, $40,000 in 1981 and $426,000 in 1980.
# Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Electro-mechanical prod. group	$ 32,166,000	$ 35,327,000
High-fidelity & antenna prod. group	3,858,000	3,878,000
Total	$ 36,024,000	$ 39,205,000

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 6,396,000‡	$ 2.36
1983	5,853,000‡	2.89
1982	5,031,000	2.78
1981	14,861,000	8.34
1980	17,173,000	9.88

‡ After allowing for preferred stock at par value.

Income Account *

Year ended	7/28/84	7/30/83
Net sales	$ 36,024,000	$ 39,205,000
Cost of sales	26,883,000	26,721,000
Expenses	8,064,000	7,861,000
Depreciation	842,000	896,000
Interest expense	1,787,000	2,071,000
Gan on sale of subsid.	(2,083,000)	—
Income before taxes	$ 531,000	$ 1,656,000
Income taxes	308,000	935,000
Minority interest	205,000	381,000
Inc. cont. oper.	$ 18,000	$ 340,000
Loss discont. oper.	—	(3,250,000)
Net income (Loss)	$ 18,000	$ (2,910,000)
Extraord. gain	151,000	2,151,000
Net Income (Loss) & extraord. gain	$ 169,000	$ (759,000)

Assets

As of	7/28/84	7/30/83
Cash	$ 7,087,000	$ 5,074,000
Accts. & notes receiv., net	7,295,000	6,124,000
*Inventories	7,173,000	7,873,000
Prepaid expenses	192,000	327,000
Current Assets	$ 21,747,000	$ 19,398,000
Notes receiv.	240,000	320,000
#Fixed assets	10,176,000	9,863,000
Other assets	1,503,000	1,162,000
Intangibles	5,977,000	6,075,000
Total Assets	$ 39,643,000	$ 36,818,000

Liabilities

Notes payable	$ 512,000	$ —
Long-term debt, curr.	1,766,000	3,579,000
Accts. payable	2,834,000	3,107,000
Accruals	2,335,000	2,543,000
Curr. Liabilities	$ 7,447,000	$ 9,229,000
Long-term debt	12,742,000	6,539,000
Notes payable	1,844,000	2,459,000
Sub. conv. deben.	5,844,000	6,121,000
Other liabilities	4,963,000	5,909,000
+ Preferred stock	407,000	708,000
+ + Common stock	3,745,000	3,579,000
Add. paid-in capital	13,821,000	13,559,000
Retained earnings (deficit)	(7,261,000)	(7,394,000)
Treasury stock	(3,909,000)	(3,891,000)
Total Liabilities & Shareholders' Equity	$ 39,643,000	$ 36,818,000

* At lower of cost (weighted average or FIFO) or market.
# Less accumulated depreciation.
+ $100 par value; 8% cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.90	—
%Net Income to Sales	0.05	—
%Net Income to Equity	0.26	—
Sales to Inventories	5.02	4.98
Working Capital	$14,300,000	$10,169,000
Current Ratio	2.92	2.10
Shareholders' Equity	$6,803,000	$ 6,561,000

Electrohome Limited

809 Wellington Street North
Kitchener, Ontario, Canada N2G 4J6
(519) 744-7111

Officers: J.A. Pollock, chairman of the board, president & chief executive officer; H.H. LaPier, v.p.-operations; W.D. McGregor, v.p.-Electrohome & pres.,-CAP Communications Limited; H.I. Eby, secretary-treasurer; W.A. Janci, v.p.-finance.

Directors: J.A. Pollock*, chairman; D.S. Sykes*, J.M. Bridgman*, Barbara L. Steele, G.S. Dembroski*, W.A. Moeser, R.J. Collins-Wright, D.T. Wright, W.A. Bean.

* Member of the Executive Committee.

Areas of Work: Manufactures industrial electronics products, including data display monitors, professional color and black and white video surveillance monitors, high resolution color monitors, color computer graphics video displays, custom video displays, Earth/satellite receiver, amplifiers, large screen monochrome and color data/graphics video displays, educational TV receiver/monitors, and single and double-sided printed circuit boards. Other industrial products include sub-fractional horsepower motors, packaged motor products, and metal stamping and fabricating. Manufactures and markets consumer furniture. Provides a variety of electronic services, including computer maintenance, video system installation and maintenance, and warranty and after-warranty service for consumer products. Also engaged in television advertising, television commercial production, radio advertising, radio commercial production and the production of "video only" commercials.

Divisions:

Electronics Division
Motor Division
Deilcraft Furniture Division
AABEX Electronic Services

Subsidiaries:

Electrohome Communications Limited
809 Wellington Street North
Kitchener, Ontario, Canada
(519) 744-7111

CAP Communications Limited
864 King Street West
Kitchener, Ontario, Canada
(519) 578-1313

Video-Q Marketplace Television
Kitchener, Ontario, Canada

Transfer Agent(s):

Montreal Trust Company (common shares)
Toronto, Montreal & Winnipeg, Canada

National Trust Company Limited (preferred shares)
Toronto, Montreal, Winnipeg & Vancouver, Canada

Stock Exchange(s): Toronto

Ticker Symbol: EL

Number of Employees:

1984	2,269	1981	2,739
1983	2,148	1980	2,561
1982	2,347		

Plant Footage:

1984 . . . . . . 1,500,000 sq. ft.

Sales and Earnings

	Net Sales †	Net Income #
1984	$ 134,832,000	$ 1,180,000
1983	142,121,000	(3,298,000)
1982	162,520,000	(885,000)
1981	183,535,000	8,600,000
1980	N.A.	15,800,000

	No. of Com. Shares +	Earn per Share + #
1984	5,400,000	$ —
1983	5,400,000	—
1982	5,400,000	—
1981	5,398,000	1.66
1980	4,685,000	3.39

(Loss)
N.A.—Not available.
† Of continuing operations only.
+ Based on the weighted average number of Class X, Class Y and common shares outstanding adjusted to reflect stock split.
# Including extraordinary gains of $1,350,000 ($0.21 per share) in 1984 and $6,247,000 ($1.34 per share) in 1980.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.10	—	—
1982	0.20	—	—
1981	0.10	—	3-for-2

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 31,998,000	$ 5.93
1983	31,430,000	5.82
1982	35,330,000	6.54
1981	37,300,000	6.89
1980	27,145,000	5.79

‡ After allowing for preferred stock at par value.
† Adjusted to reflect stock split.

Income Account
(000's)

Year ended	12/28/84	12/30/83
Net sales	$ 134,832	$ 142,121
Cost of sales & expenses	123,681	132,444
Res. & develop.	2,255	4,814
Depreciation and amortization	3,712	3,369
Interest expense	1,613	1,652
Other interest	1,255	672
Share in loss of joint venture	225	613
Writedown of invest.	34	270
Royalty income	(705)	(515)

Electrohome Limited

Income (loss) before taxes	$ 2,762	$ (1,198)
Income taxes	2,932	2,100
Loss-cont.oper.	$ (170)	$ (3,298)
Income-discont. oper.	1,350	—
Net Income (Loss)	$ 1,180	$ (3,298)

Assets
(000's)

As of	12/28/84	12/30/83
Short-term deposit	$ —	$ 700
Accts. receiv., net	23,007	19,069
*Inventories	27,887	21,995
Prepaid expenses	1,774	2,621
Recov. inc. taxes	1,854	2,418
Current Assets	$ 54,522	$ 46,803
# Fixed assets	23,146	22,232
Invest. in joint vent.	—	376
Intangibles	1,919	1,858
Deferred foreign exchang	81	—
Total Assets	$ 79,668	$ 71,269

Liabilities
(000's)

Long-term debt, curr.	$ 1,403	$ 1,428
Accts. payable & accruals	12,258	10,879
Bank advances	17,427	7,448
Deferred income	2,590	2,543
Inc. taxes pay	—	1,267
Prov. for warranty exp.	568	705
Curr. Liabilities	$ 34,246	$ 24,270
Long-term debt	11,688	12,979
Deferred inc. taxes	37	269
Prov. for warranty exp.	71	266
Def. revenue	753	1,139
+ Preferred stock	875	916
+ + Class X & Class Y	6,410	6,410
Retained earnings	25,588	25,020
Total Liabilities & Shareholders' Equity	$ 79,668	$ 71,269

* At lower of cost & replacement cost or net realizable value.
# Less accumulated depreciation.
+ $100 par value; 5¼% cumulative.
+ + No par value.

Statistical Summary

%Net Income to Equity	3.59	—
Sales to Inventories	4.83	6.46
Working Capital	$20,276,000	$22,533,000
Current Ratio	1.59	1.93
Shareholders' Equity	$32,873,000	$32,346,000

Electromagnetic Sciences, Inc.

125 Technology Park
Norcross, Georgia 30092
(404) 448-5770

Mailing Address:
P.O. Box 80508
Atlanta, Georgia 30366

Officers: John F. Pippin, president; William K. Alverson, v.p.-marketing; Joseph W. Simon, senior v.p.-operations; Thomas E. Sharon, sr. v.p.-advanced development; Bruce R. Savage, v.p.-engineering programs; Don T. Scartz, v.p.-finance, treasurer & secretary; Gordon R. Harrison, v.p.-components & new technology programs; Barton L. Hinkle, v.p.-human resources; F. Lane Mobley, asst. secretary.

Directors: John F. Pippin, Joseph W. Simon, Henry A. Bronner, William L. Davenport, Richard V. Holsinger, Jerry H. Lassiter, John B. Mowell, Thomas E. Sharon.

Areas of Work: Designs and produces microwave components, microwave subsystems, and radio-linked data terminals for the communications and related industries. These products are sold primarily to manufacturers of communications, radar, electronic countermeasurer, surveillance, or similar electronic systems, and to companies using computer-controlled materials handling systems.

Subsidiary:

Gamma-f Corporation

Transfer Agent(s):

BancTEXAS Dallas, N.A.
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELMG (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 25,258,501	$ 3,397,345
1983	18,545,920	2,664,644
1982	15,055,616	1,571,768
1981	11,027,280	925,300
1980	7,611,915	525,078

	No. of Com. Shares #	Earn. per Share #
1984	3,525,215	$ 0.96
1983	3,545,042	0.75
1982	3,041,744	0.52
1981	2,936,871	0.32
1980	2,309,353	0.23

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	3-for-2
1982	—	—	4-for-3
1981	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 19,815,695	$ 5.62
1983	16,370,535	4.62
1982	13,701,848	4.50
1981	6,164,766	2.10

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 25,258,501	$ 18,545,920
Cost of sales	15,247,257	10,961,004
Expenses	4,821,043	3,560,807
Interest income	(1,138,986)	(1,013,901)
Interest expense	207,845	243,679
Income before taxes	$ 6,121,342	$ 4,794,331
Income taxes	2,723,997	2,129,687
Net Income	$ 3,397,345	$ 2,664,644

* Included in Costs and Expenses, Depreciation and Amortization: $988,291 in 1984 and $721,384 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 1,893,006	$ 2,076,118
Marketable securities	7,210,644	8,755,901
Receiv., net	5,914,110	3,544,131
Accrued int. income	318,105	221,967
*Inventories	802,276	616,888
Current Assets	$ 16,138,141	$ 15,215,005
#Fixed assets	8,783,601	6,873,477
Other assets	234,093	203,898
Total Assets	$ 27,276,898	$ 22,292,380

Liabilities

Long-term debt, curr.	$ 92,420	$ 117,017
Accts. payable	1,407,829	577,894
Accruals	1,904,790	1,460,365
Income taxes	517,217	458,349
Curr. Liabilities	$ 3,922,256	$ 2,613,625
Long-term debt	2,508,775	2,600,715
Deferred inc. taxes	916,217	610,217
Other Liabilities	113,955	97,288
+ Common stock	345,871	345,078
Add. paid-in capital	10,995,665	10,948,643
Retained earnings	8,474,159	5,076,814
Total Liabilities & Shareholders' Equity	$ 27,276,898	$ 22,292,380

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	24.23	25.85
%Net Income to Sales	13.45	14.37
%Net Income to Equity	17.14	16.28
Sales to Inventories	31.48	30.06
Working Capital	$12,215,885	$12,601,380
Current Ratio	4.4	5.82
Shareholders' Equity	$19,815,695	$16,370,535

Electronic Associates, Inc.

185 Monmouth Parkway
West Long Branch, New Jersey 07764
(201) 229-1100

Officers: William R. Smart, chairman of the board; Robert G. Finney, president & chief exec. officer; Jack C. Acton, sr. v.p.-utility and energy information systems; John J. Fendrock, v.p.-mfg.; Edward C. Puth, v.p.-finance, treasurer & secretary; David F. Schenkel, v.p.-industrial relations; John P. McDonald, v.p.-utility systems; Robert J. Welle, v.p.-field service; Otis C. Wright, Jr., v.p.-simulation computers; Edwin N. Millar, corporate controller; Robert M. Skolnik, assistant secretary.

Directors: Edward M. Block, Robert G. Finney, John L. Helm, Walter R. Mahler, Hilliard W. Paige, William R. Smart, Herbert I. Fusfeld, Kenneth P. Johnson, Fred L. Martinson.

Areas of Work: Develops and manufactures computer systems used in dedicated and general-purpose simulation applications for training and advanced research and development studies. Products and services include computers used for real-time simulation; power plant operator training simulators; and computer-based monitoring and control systems for various applications in the energy field. Also sells personal flight simulators for instrument training on fixed-wing aircraft and helicopters.

Divisions and Subsidiaries:

EAI-Electronic Associates-SARL
25/27, Rue Ginoux
75737 Paris Cedex 15, France

EAI-Electronic Associates GmbH
Franzstrasse 107
51 Aachen
West Germany

EAI Realty Development Company
185 Monmouth Parkway
West Long Branch, New Jersey 07764
(201) 229-1100

EAI-Electronic Associates, Pty.,Ltd.
48 Atchison Street
St. Leonards, N.S.W., Australia

EAI-Electronic Associates (Japan), Inc.
9th Mori Building
1-3 Shiba-Atago-cho-, Minato-Ku
Tokyo, Japan 105

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: EA

Number of Employees:

1984	719	1981	963
1983	952	1980	862
1982	949		

Plant Footage:

1984	174,000 sq. ft.	1981	312,000
1983	338,000	1980	312,000
1982	347,000		

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 38,620,000	$ (10,508,000)
1983	40,848,000	(12,181,000)
1982	53,408,000	3,697,000
1981	46,862,000	1,867,000
1980	43,683,000	3,005,000

	No. of Com. Shares	Earn. per Share †#
1984	2,844,565	$ —
1983	2,838,315	—
1982	2,805,327	1.30
1981	2,750,559	0.66
1980	2,746,059	1.06

(Loss)
+ Of continuing operations: includes income from sales, service and rentals.
† Including extraordinary gains of $1,486,000 ($0.52 per share) in 1982, $889,000 ($0.31per share) in 1981 and $1,246,000 ($0.44 per share) in 1980.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983	1982	1981
Computers & systems	31%	27%	30%	34%
Field service	21	16	11	11
Utility & energy measure systems	29	34	46	40
Flight trainers	0	2	3	6
Mfg. subcontracts	19	21	10	9
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ (763,000)	$ —
1983	9,733,000	3.43
1982	21,824,000	7.78
1981	18,049,000	6.56
1980	16,162,000	5.89

(Deficiency)

Income Account *
(000's)

Year ended	12/28/84	12/30/83
Net sales, service & rentals	$ 38,620	$ 40,848
Cost of sales, service & rentals	37,468	42,479
Cost of contract settlement	2,431	—
Expenses	9,772	10,420
Interest expense	78	163
Other income	(670)	(246)
Loss bef. taxes	$ (10,459)	$ (11,968)
Income taxes	49	213
Net Loss	$ (10,508)	$ (12,181)

* Included in Costs and Expenses, Depreciation: $1,217,000 in 1984 and $1,037,000 in 1983.

Assets
(000's)

As of	12/28/84	12/30/83
Cash	$ 1,215	$ 1,717
Marketable securities	2,037	13,100
Receivables, net	7,922	9,650
Note receivable	—	2,674
*Inventories	3,606	3,862
Prepaid expenses	313	139
Current Assets	$ 15,093	$ 31,142
#Fixed assets	3,068	3,628
Other assets	706	597
Total Assets	$ 18,867	$ 35,367

Liabilities
(000's)

Revolving credit	$ —	$ 2,000
Long-term debt, curr.	118	96
Accts. payable	1,946	1,955
Accruals	4,447	4,295
Customer prepayments	381	4,153
Income taxes	205	386
Curr. Liabilities	$ 7,097	$ 12,885
Long-term debt	1,064	1,069
Accrued pension	782	504
Deferred gain on sale & leaseback	10,687	11,176
+ Common stock	2,845	2,838
Add. paid-in capital	28,080	28,075
Deficit	(31,688)	(21,180)
Total Liabilities & Shareholders' Equity	$ 18,867	$ 35,367

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

Working Capital	$7,996,000	$18,257,000
Current Ratio	2.13	2.42
Shareholders' Equity (Deficiency)	$ (763,000)	$ 9,733,000

Electronic Control Systems, Inc.

Post Office Box 1232
Fairmont, West Virginia 26554
(304) 363-8690

Officers: Michael E. Basile, president; Robert E. Harkins, vice president; Leo F. Modi, secretary and treasurer.

Directors: Michael E. Basile, Leo F. Modi, Robert E. Harkins, Paul L. Layman, William R. Newlin, Paul L. Bourdeau.

Areas of Work: Manufactures a line of temperature and power controls from a simple control loop to fabrication of complete panel systems, with all necessary instrumentation including controllers, power units, switchgear, alarm functions, computer back-up, recorders, and annunciators engineered and/or custom designed to customer's specifications. Major markets are manufacturers of electric furnaces, electric ovens, synthetic fibers, glass fiber glass, semi-conductor, plastic extruding and molding machinery.

Subsidiaries:

JBD Corporation

ECS International, Inc.
P.O. Box 1232
Fairmont, West Virginia 26554

Transfer Agent(s):

Mellon Bank, N.A.
Pittsburgh, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ELCS (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 3,935,721	$ 120,043
1983	2,523,221	24,419
1982	2,300,888	(105,708)
1981	3,910,050	105,284
1980	2,987,713	41,769

	No. of Com. Shares #	Earn. per Share #
1984	885,250	$ 0.13
1983	889,310	0.03
1982	896,809	—
1981	903,583	0.11
1980	925,715	0.05

(Loss)
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983	1982	1981
Temp. control devices	32%	51%	62%	51%
SCR power supply devices	45	35	34	46
Alarm systems	23	14	4	3
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.05	—	—
1981	0.05	—	—
1980	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 1,998,761	$ 2.26
1983	1,884,825	2.12
1982	1,871,290	2.09
1981	2,031,288	2.25
1980	1,997,756	2.16

‡ Based on the weighted average number of common shares outstanding.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 3,935,721	$ 2,523,221
Other income	77,565	59,849
Minority interest	(10,645)	(5,305)
Total income	$ 4,002,641	$ 2,577,765
Cost of sales	2,809,238	1,835,768
Expenses	1,005,475	698,476
Interest expense	43,722	14,612
Income before taxes	$ 144,206	$ 28,909
Income taxes	24,163	4,490
Net Income	$ 120,043	$ 24,419

* Included in Costs and Expenses, Depreciation and Amortization: $65,296 in 1984 and $53,557 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 98,342	$ 35,006
Marketable securities	207,453	291,604
Accts. receiv., net	875,612	375,224
Due from affiliates	61,287	—
*Inventories	975,789	944,216
Prepaid expenses	22,817	31,008

Electronic Control Systems, Inc.

Current Assets	$ 2,301,300	$ 1,677,058
Investments	273,392	285,911
#Fixed assets	376,933	307,256
Intangibles	8,593	1,336
Other assets	13,298	—
Total Assets	$ 2,973,516	$ 2,271,561

Liabilities

Notes payable	$ 482,679	$ 107,700
Accts. payable	252,924	175,195
Inc. taxes payable	30,663	284
Accruals	109,832	76,289
Other liabilities	16,665	15,061
Curr. Liabilities	$ 892,763	$ 374,529
Notes payable	64,594	—
Deferred compensation	11,933	—
Deferred inc. taxes	5,465	12,207
+ Common stock	98,036	98,036
Add. paid-in capital	1,365,214	1,365,214
Retained earnings	701,502	581,459
Treasury stock	(119,822)	(113,715)
Amts. receiv. from officers	(46,169)	(46,169)
Total Liabilities & Shareholders' Equity	$ 2,973,516	$ 2,271,561

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.66	3.15
%Net Income to Sales	3.05	0.97
%Net Income to Equity	6.01	1.30
Sales to Inventories	4.03	2.67
Working Capital	$1,408,537	$1,302,529
Current Ratio	2.58	4.48
Shareholders' Equity	$1,998,761	$1,884,825

Electronic Memories & Magnetics Corporation

16000 Ventura Boulevard
Encino, California 91436
(818) 995-1755

Officers: J. Sidney Webb, chairman; Walter D. Warren, president & chief exec. officer; Rolf B. Erikson, v.p.-corporate development; James G. Turner, v.p. & president-SESCO; Paul H. Lasky, v.p.-fnance & secretary; Eric M. Iwafuchi, controller.

Directors: Harry S. Derbyshire, C. Arnold Kalman, Will Richeson, Jr., Trude C. Taylor, John P. Del Favero, Walter D. Warren, William R. Zimmerman, J. Sidney Webb, Jospeh F. Caligiuri.

Areas of Work: Engaged in the design, manufacture and sale of memory, computer and ferrite products, including magnetic core memory systems, magnetic cartridge file and permanent magnets, magnetic ferrite materials, high technology ferrite components, small horsepower DC motors, and stainless steel castings.

Subsidiaries:

Electronic Memories International, N.V. (Netherlands Antilles)
Electronic Memories, Ltd. (United Kingdom)
Electronic Memories & Magnetics, S.A. (Belgium)
Electronic Memories & Magnetics (Taiwan) Corporation
Electronic Memories & Magnetics, Limited (Hong Kong)
EMM World Trade Corporation
Canada Alloy Castings, Ltd.
Tek-Devices Limited (Hong Kong)
IG-Mex (Mexico)
Severe Environment Systems Company
Computer Power Products Corporation

Transfer Agent(s):

Bank of America, N.T. & S.A.
555 South Flower Street
Los Angeles, California 90071

Stock Exchange(s): New York, Midwest, Pacific, Philadelphia.

Ticker Symbol: EMM

Number of Employees·

1984	1,800	1981	3,000
1983	N.A.	1980	3,400

N.A. - Not Available.

Plant Footage:

1984 . . . . . . 600,000 sq. ft.

Sales and Earnings

	Net Sales +	Net Income
1984	$ 87,685,000	$ 2,128,000
1983	79,145,000	3,338,000
1982	73,481,000	890,000
1981	85,815,000	1,486,000
1980	77,097,000	2,996,000

	No. of Com. Shares x	Earn. per Share x
1984	5,474,000	$ 0.10
1983	5,631,000	0.41
1982	5,436,236	—
1981	5,430,370	0.08
1980	5,399,652	0.36

+ Of continuing operations only.
x Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Systems	$ 41,699	$ 42,739
Components	45,986	36,406
Total	$ 87,685	$ 79,145

Common Stock Equity

	Total Equity †	Equity Per Share x
1984	$ 22,980,000	$ 4.20
1983	22,324,000	3.96
1982	16,499,000	3.04
1981	16,661,000	3.07
1980	16,177,000	3.00

† After allowing for preferred stock at liquidation value of $20 per share.
x Based on the weighted average number of shares outstanding.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 87,685,000	$ 79,145,000
Cost of sales	63,531,000	52,678,000
Expenses	22,508,000	21,540,000
Interest expense	2,465,000	1,585,000
Gain on repurch. of bonds	(304,000)	(175,000)
Interest income	(732,000)	(984,000)
Dividend income	(1,556,000)	(885,000)
Loss (gain) on sale of invest.	619,000	(152,000)
Income before taxes	$ 1,154,000	$ 5,538,000
Income taxes (credit)	(974,000)	2,200,000
Inc. - cont. oper.	$ 2,128,000	$ 3,338,000
Inc. - discont. oper.	(617,000)	—
Net Income	$ 1,511,000	$ 3,338,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,619,000 in 1984 and 1,908,000 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 2,046,000	$ 11,209,000
Marketable securities	19,043,000	16,937,000
Accts. receiv., net	15,124,000	12,131,000
*Inventories	19,646,000	18,426,000
Prepaid expenses	533,000	379,000
Deferred inc. taxes	1,511,000	1,966,000
Current Assets	$ 57,903,000	$ 61,048,000
#Fixed assets	13,179,000	10,176,000
Other assets	3,949,000	2,322,000
Total Assets	$ 75,031,000	$ 73,546,000

Liabilities

Accts. payable	$ 4,150,000	$ 4,157,000
Accruals	6,888,000	5,941,000
Income taxes	81,000	59,000
Curr. Liabilities	$ 11,119,000	$ 10,157,000
Subord. guar. conv. bonds	18,280,000	20,033,000
Deferred inc. taxes	727,000	1,174,000
Other liabilities	2,555,000	—
+ Preferred stock	968,000	993,000
+ + Common stock	5,480,000	5,458,000
Add. paid-in capital	11,965,000	11,945,000
Retained earnings	24,247,000	23,946,000
For. curr. trans. adj.	(310,000)	(160,000)
Total Liabilities & Shareholders' Equity	$ 75,031,000	$ 73,546,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value, cumulative.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	3.57	7.91
Sales to Inventories	4.46	4.30
Working Capital	$46,784,000	$50,891,000
Current Ratio	5.21	6.01
Shareholders' Equity	$42,350,000	$42,182,000

Electronic Modules Corporation

P.O. Box 141
Timonium, Maryland 21093
(301) 667-4800

Officers: Robert E. Vogel, chairman of the board, chief executive officer & treasurer; Ralph E. Bothne, president & chief operating officer; John E. Armstrong, Jr., v.p.-marketing & research and secretary; George M. Llewellyn, v.p.-data terminal products; Joseph Ritter, v.p.-manufacturing; Douglas Whitehouse, president-TXE, Inc.; Donald P. Aiken, exec. v.p. & president-EMC Controls; James E. Tebay, v.p.-administration & strategic planning.

Directors: Donald W. Ordun, Joseph Ritter, Robert E. Vogel, John E. Armstrong, Jr., James P. McDonagh, Ralph E. Bothne, George M. Llewellyn, P. David Sowell, Nicholas V. Petrou.

Areas of Work: Designs and manufactures distributed computer control systems for oil and gas, chemical, primary metal, food and pharmaceutical industries. Manufactures and markets automated estimating and design systems for the construction trade. Designs and fabricates on an O.E.M. basis special purpose industrial and commercial control packages utilizing microprocessor technology.

Subsidiaries:

Estimation, Incorporated
805 Barkwood Court
Linthicum Heights, Maryland 21090
(301) 636-5680

Markets estimating hardware and supporting software to the commercial and industrial construction fields.

EMC Controls, Incorporated
P.O. Box 242
Cockeysville, Maryland 21030
(301) 667-4800

Provides computer based data acquisition and control systems to the process industry and for the discrete part manufacturing industries. The subsidiary offers its line of modular systems under the EMCON label. All EMCON systems are characterized by a separation of hardware and software functions, and all have the same basic architecture: a software supported mini-computer (with peripherals) connected by a single I/O interface to any number of EMC remote multiplexers serving sensors and controllers in an industrial plant.

Applied Technology Services, Inc.

EMC Systems, Inc.

EMC Operations Division

TXE, Inc.

Transfer Agent(s):

Mercantile-Safe Deposit and Trust Company
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EMOD (NASDAQ)

Number of Employees:

1984	929	1981	465
1983	796	1980	467
1982	N.A.		

Plant Footage:

1984	355,000 sq. ft.	1981	204,550
1983	250,000	1980	114,550
1982	284,550		

N.A.-Not Available.

Sales and Earnings ×

	Net Sales	Net Income
1984	$ 67,825,000	$ (753,000)
1983	48,507,000	(1,128,000)
1982	47,418,000	3,103,000
1981	32,816,000	2,141,000
1980	22,320,000	1,492,000

	No. of Com. Shares ‡‡	Earn. per Share ‡‡
1984	5,398,000	$ —
1983	4,695,000	—
1982	4,270,000	0.73
1981	4,242,000	0.50
1980	4,011,000	0.37

(Loss)
× Restated to include operations of Propulsion Dynamics, Inc. acquired on a pooling of interests basis.
‡‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	100%	—
1981	—	50%	—
1980	—	—	—

Common Stock Equity ×

	Total Equity	Equity Per Share ‡
1984	$ 33,282,000	$ 6.17
1983	34,010,000	7.24
1982	15,156,000	3.55
1981	11,955,000	2.82
1980	8,308,000	2.07

× Restated.
‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	9/29/84	10/1/83
Net sales	$ 67,824,952	$ 48,507,248
Cost of sales	42,052,947	29,993,605
Research and develop.	4,125,455	3,861,023
Expenses	22,285,128	18,687,497
Oper. loss	$ (638,578)	$ (4,034,877)
Other income	(159,675)	(442,208)
Gain on sale	—	(578,478)
Prov. for doubtful adv.	973,000	—
Interest expense	1,079,520	956,772
Loss before taxes	$ (2,531,423)	$ (3,970,963)
Tax credit	(1,778,500)	(2,842,990)
Net Loss	$ (752,923)	$ (1,127,973)

‡ Restated.
* Included in Costs and Expenses, Depreciation and Amortization: $1,960,391 in 1984 and $1,468,822 in 1983.

Assets

As of	9/29/84	10/1/83 ‡
Cash & short-term invest.	$ 361,648	$ 924,982
Accts. receiv., net	12,205,843	10,048,688
Costs in exc. of billings	13,585,677	3,392,527
*Inventories	21,635,371	19,065,572
Prepaid expenses	280,293	567,992
Current Assets	$ 48,065,832	$ 33,999,761
Investments	743,513	583,026
#Fixed assets	9,567,685	8,189,964
Other assets	391,317	178,912
Intangibles	1,174,795	—
Cost in exc. of eq. of bus. acq.	3,921,130	1,806,286
Total Assets	$ 63,867,272	$ 44,757,949

Liabilities

Notes payable	$ 11,995,500	$ 298,500
Accts. payable and accrued expenses	10,615,193	3,986,150
Billings in exc. of cost	200,456	481,897
Inc. taxes pay.	24,814	12,363
Deferred income taxes	376,171	2,520,451
Accrued payroll and related taxes	2,456,674	1,547,662
Long-term debt, curr.	525,913	212,361
Long-term debt to rel. parties	701,140	—
Curr. Liabilities	$ 26,895,861	$ 9,059,384
Deferred income	225,251	206,347
Deferred income taxes	336,549	293,761
Long-term debt	2,335,192	1,188,786
Long-term debt to rel. parties	792,809	—
+ Common stock	540,927	539,102
Add. paid-in capital	24,025,465	23,991,502
Retained earnings	8,814,260	9,567,183
Net unrealized loss	(99,042)	(88,116)
Total Liabilities & Shareholders' Equity	$ 63,867,272	$ 44,757,949

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	3.13	2.54
Working Capital	$21,169,971	$24,940,377
Current Ratio	1.79	3.75
Shareholders' Equity	$33,281,610	$34,009,671

Electronics Corporation of America

265 Winter Street
Waltham, Massachusetts 02154
(617) 864-8000

Officers: Arthur G.B. Metcalf, chairman of the board & president; Richard R. Glendon, v.p. & treasurer; William Eisener, exec. v.p.; Roy R. Scarpato, v.p.-photoswitch engineering; E. Craig Thomson, v.p. & chief engineer; Guy W. Bragdon, Jr., v.p.-manufacturing; Stanley L. Davis, v.p.-photoswitch marketing; Thomas J. Lechner, v.p.-Fireye engineering; Peter N. Renzi, v.p.-product planning & marketing; Nicholos P. Fowler, v.p.-materials management; Theodore D. Crandall, controller; D.A. Dunderdale, clerk.

Directors: Arthur G.B. Metcalf, chairman; William Eisner, R.F. Glendon, John R. Silber.

Areas of Work: Develops and manufactures "Fireye" computerized combustion safeguard controls and burner management systems for utilities, industrial and commercial oil and gas burner installations, for power plant boilers and process burners. Develops and manufactures general purpose and special function photoelectric and electronic controls and systems, electronic timers, and electronic level controls used in automation of industrial processes and the materials handling industry. Also markets a Universal Digital Management System for sequentially activating and controlling power switching devices.

Divisions:

ECA European Division
Brussels, Belgium

Subsidiaries:

Electronics Corportation of America (Canada), Ltd.
Toronto, Ontario, Canada

Electronic Corporation of America (Great Britain) Limited
London, England

Electronic Corporation of America (International)
San Juan, Puerto Rico

Electronics Corporation of America (Export)

Transfer Agent(s):

United States Trust Company of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: ECA

Sales and Earnings

	Net Sales	Net Income †
1984	$ 47,838,092	$ 7,160,907
1983	42,072,946	(3,961,704)
1982	42,980,801	1,083,391
1981	45,380,762	5,810,732
1980	42,844,190	5,746,000

	No. of Com. Shares #	Earn. per Share #†
1984	1,813,000	$ 3.95
1983	1,809,000	—
1982	1,806,000	0.60
1981	1,773,000	3.28
1980	1,689,000	3.40

(Loss)
† Including extraordinary gain of $450,000 ($0.25 per share) in 1984.
# Based on the average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.40	—	—
1983	1.40	—	—
1982	1.40	—	—
1981	1.31	—	—
1980	1.05	33⅓%	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 23,931,117	$ 13.20
1983	19,656,587	10.86
1982	26,538,179	14.69
1981	28,021,698	15.55
1980	22,571,283	13.34

† Adjusted to reflect stock dividend.

Electronics Corporation of America

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 47,838,092	$ 42,072,946
Cost of sales	29,323,000	27,693,769
Expenses	12,435,189	11,659,054
Interest and other expenses	2,103,429	4,387,643
Gain on sale	(8,823,433)	—
Income (loss) before taxes	$ 12,799,907	$ (1,667,520)
Income taxes	6,089,000	2,294,184
Net Income (Loss)	$ 6,710,907	$ (3,961,704)
Extraord. gain	450,000	—
Net income (Loss) & extraord. gain	$ 7,160,907	$ (3,961,704)

* Included in Costs and Expenses. Depreciation and Amortization: $1,708,706 in 1984 and $1,759,134 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & govt. securities	$ 11,366,786	$ 4,760,518
Accts. receiv., net	8,318,682	8,770,031
Contracts	26,958	1,320,022
*Inventories	15,416,335	13,276,052
Assets held for sale	—	6,290,052
Prepaid expenses	265,133	369,115
Current Assets	$ 35,393,894	$ 34,785,790
#Fixed assets	15,419,598	14,769,430
Other assets & deferred charges	1,048,739	1,630,569
Intangibles	1	1
Note receivable	2,750,000	—
Total Assets	$ 54,612,232	$ 51,185,790

Liabilities

	1984	1983
Long-term debt, curr	$ 1,900,000	$ 2,784,042
Cap. lease oblig.	275,419	250,618
Accts. payable	2,420,735	2,253,581
Accruals	672,787	2,327,273
Accrued payroll	1,186,339	1,214,659
Income taxes	1,595,024	1,940,601
Curr. Liabilities	$ 8,050,304	$ 10,770,774
Long-term debt	16,023,250	18,003,875
Cap. lease oblig.	691,630	758,257
Deferred inc. taxes	5,915,931	1,996,297
+ Common stock	1,865,465	1,861,465
Add. paid-in capital	6,937,605	6,855,113
Translation adjustment	(1,387,606)	(952,286)
Retained earnings	16,879,747	12,256,389
Treasury stock	(364,094)	(364,094)
Total Liabilities & Shareholders' Equity	$ 54,612,232	$ 51,185,790

* At standard costs which approximate actual cost on a FIFO basis and do not exceed market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	26.76	—
%Net Income to Sales	14.03	—
%Net Income to Equity	28.04	—
Sales to Inventories	3.10	3.16
Working Capital	$27,343,590	$24,015,016
Current Ratio	4.40	3.22
Shareholders' Equity	$23,931,117	$19,656,587

Electronics, Missiles & Communications, Inc.

Susquehanna Street Extension
P.O. Box 68
White Haven, Pennsylvania 18661
(717) 443-9575

Officers: Colin R. Keefer, president & chief exec. officer; Alan J. Harding, v.p-finance; Edward A. Kadler, v.p. & comptroller; H.P. Chalmers, treasurer; Martin D. Cohn, secretary; Kay Krull, asst. secretary.

Directors: Shirley Chalmers, H.P. Chalmers, Virgil D. Angerman, Stanley Kutin.

Areas of Work: Manufactures television broadcast equipment for commercial, educational and private television systems. Principal products are low and medium power television transmitters for VHF, UHF and microwave television transmission; translators, and down-converters.

Subsidiaries:

Emcee International Sales, Inc.
Del's Tower Service, Inc.
Endoscopy Surgical Sales, Inc.
International Ionics, Inc.
Laser Surgical Systems, Inc.
Pro-Community TV, Inc.

Transfer Agent(s):

The First National Bank of Minneapolis
120 South Sixth Street
P.O. Box A700
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ECIN (NASDAQ)

Number of Employees:

1984	80	1981	95
1983	120	1980	76
1982	140		

Plant Footage:

1984	27,000 sq. ft.	1981	27,000
1983	27,000	1980	27,000
1982	74,300		

Sales and Earnings

	Net Sales	Net Income
1984	$ 3,917,814	$ (1,929,959)
1983	5,724,753	(591,987)
1982	6,806,308	482,308
1981	5,603,581	588,080
1980	4,187,000	397,382

	No. of Com. Shares	Earn. per Share +
1984	2,869,695	$ —
1983	2,867,712	—
1982	2,760,512	0.17
1981	2,760,512	0.21
1980	2,760,512	0.14

(Loss)
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,473,174	$ 0.51
1983	3,381,848	1.18
1982	2,769,435	1.00
1981	2,287,127	0.83
1980	1,699,047	0.62

Income Account *

Year ended March 31	1984	1983
Net sales	$ 3,917,814	$ 5,724,753
Cost of sales	2,980,510	3,797,277
Expenses	1,996,962	2,225,751
Research & development	483,766	401,397
Interest expense	294,601	377,134
Write-down of inven.	544,700	—
Other expenses (income)	70,234	(29,619)
Loss before taxes	$ (2,452,959)	$ (1,047,187)
Tax credit	(523,000)	(455,200)
Net Loss	$ (1,929,959)	$ (591,987)

* Included in Costs and Expenses. Depreciation: $237,555 in 1984 and $256,812 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 45,715	$ 348,548
Accts. & notes receiv., net	983,112	1,896,273
*Inventories	2,002,000	2,660,000
Prepaid inc. taxes & other expenses	123,386	172,175
Income tax refund	341,000	612,150
Current Assets	$ 3,495,213	$ 5,689,146
#Fixed assets	961,642	1,855,956
Other assets	305,465	241,214
Total Assets	$ 4,762,320	$ 7,786,316

Liabilities

	1984	1983
Long-term debt, curr.	$ 117,254	$ 142,192
Oblig. under cap. leases, curr.	51,833	40,521
Accts. payable	524,877	441,846
Accruals	225,486	293,226
Income taxes	—	102,200
Deferred income	—	282,234
Curr. Liabilities	$ 919,450	$ 1,302,219
Long-term debt	2,203,896	1,996,314
Oblig. under cap. leases	165,800	1,089,335
Deferred inc. taxes	—	16,600
+ Common stock	48,257	48,257
Add. paid-in capital	2,083,556	2,062,279
Ret. earnings (deficit)	(648,874)	1,281,085
Treasury stock	(9,765)	(9,773)
Total Liabilities & Shareholders' Equity	$ 4,762,320	$ 7,786,316

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01⅔ par value.

Statistical Summary

Working Capital	$2,575,763	$4,386,927
Current Ratio	3.80	4.37
Shareholders' Equity	$1,473,174	$3,381,848

Electro-Nucleonics, Inc.

350 Passaic Avenue
Fairfield, New Jersey 07006
(201) 227-6700

Officers: Vincent V. Abajian, chairman of the board & chief executive officer; Robert Fennell, president & chief operating officer; Herbert Appleton, exec. v.p.; Richard M. Mandle, Alan M. Fishman, Joseph J. Cardillo, v.p.'s; Ernest Maclin, v.p.-research & development; Richard Abajian, ssecretary-treasurer; Paul Plunkett, v.p. & controller.

Directors: Richard Abajian, Vincent V. Abajian, John J. Astor, Carl Pacifico, Robert Fennell, George T. Maloney, J. George Harris, Richard Mandle, Harvey H. Segal, Nolan B. Sommer, Nathan Stendig, William V. Beshlian.

Areas of Work: Engaged in the application of highspeed rotation and separations technology to the energy and health care fields. In the energy area the company is a prime contractor to the Department of Energy in the development of gas centrifuge technology applicable to the enrichment of uranium used by nuclear power plants. In the health care areas, it manufactures the ACCLAIM, FLEXIGEM, GEMENI and GEMSTAR blood chemistry analyzer systems, research and production-scale liquid ultracentrifuges, diagnostic reagents and test kits; processes purified viruses, antigens and antibodies for research and conducts immunological testing through the VIRGO line of Immunofluorescent Antibody (IFA) tests, which consist of tests related to the body's immune response system and the RIAUSURE test for serum hepatitis.

Divisions and Subsidiaries:

Silver Spring, Maryland
Columbia, Maryland
Oak Ridge, Tennessee

Separation & Analytical Systems Division

Fairfield, New Jersey
Irvine, California
Breda, The Netherlands
Stuttgart, West Germany

Transfer Agent(s):

Continental Stock Transfer & Trust Company
30 Montgomery Street
Jersey City, New Jersey 07302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ENUC (NASDAQ)

Number of Employees:

1984	750	1981	550
1983	750	1980	490
1982	700		

Plant Footage:

1984	250,000 sq. ft.	1981	100,000
1983	175,000	1980	95,000
1982	N.A.		

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income +
1984	$ 45,487,000	$ (2,363,000)
1983	42,862,000	2,300,000
1982	37,730,947	1,590,755
1981	34,958,597	1,919,669
1980	30,071,814	1,389,707

	No. of Com Shares	Earn. per Share + #
1984	3,830,722	$ —
1983	3,830,022	0.67
1982	3,155,343	0.51
1981	3,044,343	0.69
1980	2,376,543	0.58

(Loss)
+ Including extraordinary gains of $161,000 ($0.04 per share) in 1984, $161,000 ($0.05 per share) in 1983, $161,000 ($0.05 per share) in 1982, $161,000 ($0.06 per share) in 1981 and $161,000 ($0.07 per share) in 1980.
# Based on the average number of shares outstanding during each period.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 27,577,000	$ 7.20
1983	30,186,000	7.88
1982	18,435,786	5.84
1981	15,847,148	5.21
1980	5,645,102	2.38

Income Account *

Year ended June 30	1984	1983
Net sales	$ 45,487,000	$ 42,862,000
Cost of sales	31,416,000	27,868,000
Discont. prod. lines	1,389,000	—
Expenses	15,732,000	13,653,000
Interest expense	536,000	393,000
Other income	(373,000)	(642,000)
Income (loss) before taxes	$ (3,213,000)	$ 1,590,000
Tax credit	(689,000)	(549,000)
Net Income (Loss)	$ (2,524,000)	$ 2,139,000
Extraord. gain	161,000	161,000
Net Income (Loss) & Extraord. gain	$ (2,363,000)	$ 2,300,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,873,000 in 1984 and $1,488,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 600,000	$ 3,664,000
Preferred stocks	1,070,000	1,024,000
Accts. receiv., net	11,777,000	10,441,000
Inc. taxes receiv.	182,000	667,000
*Inventories	12,442,000	11,714,000
Prepaid expenses & other assets	410,000	743,000
Current Assets	$ 26,481,000	$ 28,253,000
Investment securities	232,000	232,000
#Fixed assets	13,197,000	12,688,000
Intangibles	950,000	1,049,000
Other assets	471,000	511,000
Total Assets	$ 41,331,000	$ 42,733,000

Liabilities

Long-term debt, curr.	$ 560,000	$ 1,868,000
Accts. payable	3,107,000	2,526,000
Accruals	1,744,000	1,278,000
Curr. Liabilities	$ 5,411,000	$ 5,672,000
Long-term debt	7,853,000	5,768,000
Deferred income	477,000	496,000
Def. inc. taxes	13,000	611,000
+ Common stock	96,000	111,000
Add. paid-in capital	27,514,000	27,495,000
Retained earnings	346,000	2,709,000
For. curr. trans. adjust.	(379,000)	(129,000)
Total Liabilities & Shareholders' Equity	$ 41,331,000	$ 42,733,000

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.025 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	3.71
%Net Income to Sales	—	4.99
%Net Income to Equity	—	7.09
Sales to Inventories	3.66	3.66
Working Capital	$21,070,000	$22,581,000
Current Ratio	4.89	4.98
Shareholders' Equity	$27,577,000	$30,186,000

ElectroSound Group, Inc.

800 Veterans Memorial Highway
Hauppauge, New York 11788
(516) 724-3700

Officers: Richard H. Burkett, president & chief executive officer; Gloria Danielson, secretary; Robert J. Barone, president-ElectroSound; Robert P. McGovern, v.p.-sales/ElectroData; Marvin King, president-ElectroSound Tape Services; Richard F. Meixner, president-Music Div.; Joseph A. Mellentine, gen. mgr.-ElectroSound Group Midwest; Abraham Chayet, president-ElectroSound Long Island; James Donahue, production mgr.-ElectroData; David Conrad, v.p.-engineering/Music Division; Danny Escalante, gen. mgr.-ElectroSound Los Angeles; Bruce E. Johnson, controller.

Directors: Richard H. Burkett, Bryant Cushing, Leslie J. Levine, Ben Peirez, Richard Projain, Sanford L. Wartell, David H. Peirez.

Areas of Work: Through its ElectroSound Systems subsidiary, the company produces data loop exchange systems (DLX's) which provide local area data communications distribution between data terminal equipment and mainframe computers and eliminate the need for telephones, telephone lines and modems.

Divisions:

Electronics Division
Sunnyvale, California

Magnetic Media
Hauppauge, New York

Electronics Subsidiary:

ElectroSound Systems, Inc.
2917 North 35th Street
Phoenix, Arizona 85017
(602) 269-6888

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: ESG

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 33,136,000	$ 504,000
1983	36,720,000	(1,250,000)
1982	33,020,000	(1,391,000)
1981	23,428,000	251,000
1980	23,902,000	2,121,000

	No. of Com. Shares	Earn. per Share ‡#
1984	1,017,100	$ 0.50
1983	1,007,653	—
1982	1,007,653	—
1981	1,007,653	0.25
1980	988,402	1.78

‡ Including extraordinary gains of $212,000 ($0.21 per share) in 1984, $96,000 ($0.09 per share) in 1981 and $956,000 ($0.80 per share) in 1980.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 6,806,000	$ 6.69
1983	6,302,000	6.25
1982	7,552,000	7.49
1981	8,943,000	8.88
1980	8,539,000	8.64

Income Account *

Year ended May 31	1984	1983
Revenues	$ 33,136,000	$ 36,720,000
Cost of sales	26,883,000	31,058,000
Expenses	4,145,000	4,092,000
Interest expense	1,040,000	1,312,000
Other expenses	655,000	1,467,000
Income (loss) before taxes	$ 413,000	$ (1,209,000)
Income taxes	121,000	41,000
Net Income (Loss)	$ 292,000	$ (1,250,000)
Extraord. credit	212,000	—
Net Income (Loss) & Extraord. credit	$ 504,000	$ (1,250,000)

* Included in Cost and Expenses, Depreciation and Amortization: $1,127,000 in 1984 and $1,199,000 in 1983.

Assets

As at May 31	1984	1983
Cash	$ 320,000	$ 470,000
Receivables, net	5,061,000	6,547,000
*Inventories	2,663,000	2,883,000
Prepaid expenses	131,000	162,000
Current Assets	$ 8,175,000	$ 10,062,000
Mortgage note receiv.	800,000	—
Non-oper. p.p. & e. held for sale	—	1,999,000
#Fixed assets	6,898,000	7,747,000
Cap. equip. lease	811,000	892,000
Defer. charges & other assets	452,000	645,000
Intangibles	2,242,000	2,242,000
Total Assets	$ 19,378,00	$ 23,587,000

Liabilities

Long-term debt, curr.	$ 757,000	$ 367,000
Cap. lease oblig., curr.	119,000	104,000
Accts. payable	3,782,000	4,923,000
Accrued comp.	510,000	470,000
Other accruals	809,000	1,348,000

ElectroSound Group, Inc.

Curr. Liabilities	$ 5,977,000	$ 7,212,000
Long-term debt	5,896,000	9,255,000
Cap. lease oblig.	699,000	818,000
+ Common stock	10,000	10,000
Add. paid-in capital	11,359,000	11,359,000
Accumulated deficit	(4,549,000)	(5,053,000)
Treasury stock	(14,000)	(14,000)
Total Liabilities & Shareholders' Equity	$ 19,378,000	$ 23,587,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Revenues	1.25	—
%Net Income to Revenues	0.88	—
%Net Income to Equity	4.29	—
Working Capital	$2,198,000	$2,850,000
Current Ratio	1.37	1.40
Shareholders' Equity	$6,806,000	$6,302,000

Electrospace Systems, Inc.

P.O. Box 831359
1601 N. Plano Rd.
Richardson, Texas 75083
(214) 231-9303

Officers: James R. Lightner, chairman of the board, president & treasurer; Robert L. Carrel, exec. v.p. & secretary; Milton W. Holcombe, Richard C. Fenwick, v.p.'s; Donald E. Heitzman, vice president-marketing; Lonnie B. Roberts, corporate controller; Cecil C. Harvell, asst. v.p.-marketing.

Directors: James R. Lightner, chairman; Robert L. Carrel, Milton W. Holcombe, Richard C. Fenwick, John Adel, William H. Bowen.

Areas of Work: Communication and navigation system analysis, integration and testing, antenna research and development, mechanical/structural engineering analysis, electronic warfare systems and solid state switching, servo control systems and telephone central office switches.

Subsidiaries:

Electrotel, Inc.
P.O. Box 481
Ballinger, Texas 76821
(915) 365-2555

Transfer Agent(s):

BancTexas Dallas, N.A.
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: ELE

Number of Employees:

1985	1,609	1982	914
1984	1,100	1981	910
1983	916		

Plant Footage:

1985	471,435 sq. ft.	1982	272,221
1984	386,900	1981	227,800
1983	386,900		

Sales and Earnings

	Revenues	Net Income
1985	$ 107,838,533	$ 10,411,012
1984	79,503,117	7,988,266
1983	62,104,751	6,134,777
1982	55,088,347	4,359,984

	No. of Com. Shares	Earn. per Share ‡
1985	10,579,496	$ 0.97
1984	8,418,883	0.76
1983	4,171,618	0.59
1982	3,295,892	0.42

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.08	25%	—
1984	0.08	100%	—
1983	0.12	25%	—
1982	0.12	25%	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 37,565,214	$ 3.55
1984	26,908,076	3.20
1983	18,823,171	4.51
1982	12,602,702	3.82

Income Account *

Year ended	3/29/85	3/30/84
Revenues	$ 107,838,533	$ 79,503,117
Cost of revenues	90,754,708	65,962,464
Expenses	1,030,870	828,042
Interest expense	230,180	173,778
Oper. profit	$ 15,822,775	$ 12,538,833
Other income	2,768,318	1,845,100
Income before taxes	$ 18,591,093	$ 14,383,933
Income taxes	8,180,081	6,395,667
Net Income	$ 10,411,012	$ 7,988,266

* Included in Costs and Expenses, Depreciation and Amortization: $2,305,252 in 1985 and $1,314,052 in 1984.

Assets

As of	3/29/85	3/30/84
Cash	$ 24,673,895	$ 22,869,895
Market. secur.	3,557,485	2,329,371
Accts. receiv., net	23,391,257	17,538,963
Costs on contracts in exc. of billing	3,013,672	1,997,004
*Inventories	808,354	1,325,623
Prepaid inc. taxes	—	2,986,388
Prepaid expenses	225,758	660,736
Current Assets	$ 55,670,421	$ 49,707,980
#Fixed assets	16,779,048	7,319,176
Other assets	521,938	2,348,904
Total Assets	$ 72,971,407	$ 59,376,060

Liabilities

Long-term debt, curr.	$ 377,701	$ 376,466
Accts. payable	2,923,792	6,034,555
Accruals	3,967,435	3,036,416
Income taxes	18,025,247	13,382,915
Curr. Liabilities	$ 25,294,175	$ 22,830,352
Notes payable	5,795,835	6,139,252
Mortgage payable	1,749,575	1,783,860
Inc. taxes	2,566,608	1,714,520
+ Common stock	1,239,559	991,647
Add. paid-in capital	2,723,608	1,718,735
Retained earnings	33,976,287	24,573,267
Treasury stock	(374,240)	(375,573)
Total Liabilities & Shareholders' Equity	$ 72,971,407	$ 59,376,060

‡ Restated.
* Raw materials and purchased parts at cost not in excess of market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.24	18.09
%Net Income to Revenues	9.65	10.05
%Net Income to Equity	27.71	29.69
Working Capital	$30,376,246	$26,877,628
Current Ratio	2.20	2.18
Shareholders' Equity	$37,565,214	$26,908,076

Eli Lilly and Company

307 East McCarty Street
Indianapolis, Indiana 46285
(317) 261-2000

Officers: Richard D. Wood, chairman of the board, president & chief executive officer; Cornelius W. Pettinga, exec. v.p; Edwin F. Alder, v.p.-Lilly Research Laboratories; C. Harvey Bradley, Jr., v.p. & general counsel; Vaughn D. Bryson, group v.p.; Eurelio M. Cavalier, group v.p., sales-Pharmaceutical Division; Marvin Cave, v.p.-Industrial Relations Division; James M. Cornelius, v.p.-finance & treasurer; Raymond E. Crandall, group v.p.-production operations; Edgar G. Davis, v.p.-Corporate Affairs Division; Earl B. Herr, Jr., president-Lilly Research Laboratories; Irving S. Johnson, v.p.-Lilly Research Laboratories; Thomas A. Klingaman, sr. v.p.-production planning and corporate services; James H. Lake, sr. v.p.-production operations and services; E. Walter Lange, group v.p.-marketing & planning and development, Pharmaceutical Division; Mel Perelman, president-Eli Lilly International Corporation; Joseph Ronchetti, president-Elizabeth Arden, Inc.; Eugene L. Step, president-Pharmaceutical Division; John G. Whitney, v.p.-Lilly Research Laboratories; J. Richard Zapapas, group v.p.; E.R. Roberts, exec. v.p.-Eli Lilly International Corporation.

Directors: Richard D. Wood*, chairman of the board; Thomas H. Lake, Edwin F. Alder, C. Harvey Bradley, Jr., Steven C. Beering, Raymond E. Crandall*, Earl B. Herr, Jr.*, Mel Perelman*, Cornelius W. Pettinga*, Robert C. Seamans, Jr., Eugene L. Step*, J. Richard Zapapas*, Alva O. Way, J. Clayburn LaForce, Jr., C. William Verity, Jr.; Vaughn D. Bryson.

* Member of Executive Committee.

Areas of Work: Engaged in the discovery, development, manufacture and sale of products in three principal industries: human health, agriculture and cosmetics. The human health segment includes pharmaceuticals, electronic medical instrument systems, implantable cardiac pacemakers, empty gelatin capsules, packaging products, and bulk chemicals. Pharmaceuticals include analgesics, an antiarthritic agent, antibiotics, antidiabetic agents, hematinics, hormones, oncolytic agents, sedatives, vitamins, and other pharmaceuticals for human use. Electronic medical instrument systems include products for measuring patient temperatures and for administering and monitoring intravenous fluid infusions. The agriculture segment includes agricultural chemicals and animal health products. Agricultural chemicals are principally herbicides for controlling weeds in various crops. Animal health products include a nonhormonal cattle feed additive that improves feed efficiency; various antibiotics for promoting feed efficiency and growth in swine, and anti-coccidial agent for use in broilers and layer replacements, and other products for livestock, poultry, and pet animals. The cosmetics segment includes the Elizabeth Arden Line and Parfums Lager products. The Elizabeth Arden Line includes skincare preparations, make-up products, and fragrances. Parfums Lagerfeld products are marketed under the trademarks Chloe and Lagerfeld and include fragrance products.

Electronics Operations:

IVAC Corporation
Campus Point, California
(714) 453-4320

Worldwide manufacturing and marketing of electronic medical instrument systems.

Cardiac Pacemakers, Inc.
St. Paul, Minnesota

Engaged in the business of designing, developing, manufacturing, and marketing implantable cardiac pacemakers powered by lithium batteries.

Physio-Control Corporation
11811 Willows Road
Redmond, Washington 98052
(206) 883-1181

Manufactures and distributes electronic products used in cardiovascular medicine, including defibrillators/monitors, peritoneal dialysis equipment, blood pressure monitoring devices, ultrasonic Doppler probes, in-vivo oximeters, and vascular implant products.

Transfer Agent(s):

Chemical Bank
New York, New York

Merchants National Bank &
Trust Company of Indianapolis
Indianapolis, Indiana

Continental Illinois National Bank
and Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): New York

Ticker Symbol: LLY

Number of Employees:

1984	N.A.	1981	30,100
1983	29,200	1980	31,000
1982	28,800		

N.A.-Not Available

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 3,109,200	$ 490,000
1983	3,033,700	457,000
1982	2,962,700	412,000
1981	2,773,200	374,400
1980	2,558,600	342,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	72,855,000	$ 6.73
1983	74,624,000	6.13
1982	75,934,000	5.42
1981	75,942,000	4.93
1980	75,645,000	4.52

‡ Based on average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Human Health	$ 2,028,900	$ 1,999,700
Agriculture	756,900	727,300
Cosmetics	323,400	306,700
Total	$ 3,109,200	$ 3,033,700

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.975	—	—
1983	2.75	—	—
1982	2.60	—	—
1981	2.375	—	—
1980	2.20	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 2,221,200	$ 30.49
1983	2,121,000	28.42
1982	2,055,500	27.07
1981	1,888,300	24.87
1980	1,735,100	22.94

‡ Based on average number of common shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,109,200	$ 3,033,700
Cost of sales	1,128,400	1,103,200
Expenses	1,236,500	1,205,600
Interest income	(73,400)	(59,900)
Interest expense	43,100	33,500
For. exch. loss	7,400	7,800
Other income	(3,500)	(11,300)
Income before taxes	$ 770,700	$ 754,800
Income taxes	280,500	297,400
Net Income	$ 490,200	$ 457,400

* Included in Costs and Expenses, Depreciation and Amortization: $120,700,000 in 1984 and $98,300,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & secur.	$ 445,300	$ 491,000
Accts. receiv., net	560,400	543,900
Other receiv.	72,900	57,500
*Inventories	630,200	628,000
Prepaid exp.	118,700	109,700
Current Assets	$ 1,827,500	$ 1,830,100
Other assets	536,000	371,100
#Fixed assets	1,280,400	1,212,600
Total Assets	$ 3,643,900	$ 3,413,800

Liabilities
(000's)

	1984	1983
Loans payable	$ 342,600	$ 306,500
Accts. payable	114,800	107,200
Accrued payroll	135,600	132,100
Dividends payable	57,300	53,300
Other liabilities	194,700	238,200
Income taxes	107,800	151,000
Deferred income taxes	114,400	—
Curr. Liabilities	$ 1,067,200	$ 988,300
Long-term debt	116,600	90,700
Deferred inc. taxes	238,900	213,800
+ Common stock	47,700	47,700
Add. paid-in capital	128,700	135,500
Retained earnings	2,497,000	2,227,600
Curr. trans. adjust.	(155,800)	(113,600)
Treasury stock	(296,400)	(176,200)
Total Liabilities & Shareholders' Equity	$ 3,643,900	$ 3,413,800

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ $0.625 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	24.79	24.88
%Net Income to Sales	15.77	15.08
%Net Income to Equity	22.07	21.57
Sales to Inventories	4.93	4.83
Working Capital	$ 760,300,000	$ 841,800,000
Current Ratio	1.71	1.85
Shareholders' Equity	$2,221,200,000	$2,121,000,000

Emerson Electric Co.

8000 West Florissant Avenue
St. Louis, Missouri 63136
(314) 553-2000

Officers: C.F. Knight, chairman & chief exec. officer; L.L. Browning, Jr., vice-chairman; E.L. Keyes, Jr., president; W.A. Rutledge, vice chairman & chief operating officer; J.J. Adorjan, J.F. Hardymon, R.W. Staley, A.E. Suter, exec. v.p.'s; J.J. Kerley, vice chairman; E.L. Clary, group v.p.-corp. services; H.F. Faught, group v.p.-technology; A.A. Gilbert, v.p.-manpower development; C.W. Groennert, v.p.-financial services; J.D. Henry, M.J. Proudfoot, asst. treasurers; C. Hansen, sr. v.p., secretary & general counsel; P.L. Gartman, v.p.-development; C.A. Dill, sr. v.p.; C.O. Planting, v.p.-corp. sales; J.C. Rohrbaugh, sr. v.p.-industrial relations; J.C. Wilson, v.p.-finance & comptroller; J.K. Ver Hagen, exec. v.p.; W.C. Bousquette, sr. v.p. & chief financial officer; H.E. Johnson, v.p.-planning; P.A. Roberts, v.p.-public affairs; J.C. Janning, v.p.-manufacturing; H.J. Yopp, v.p.-tax.

Directors: W.R. Persons*, R.H. McRoberts, J.A. Frates*, B.A. Schriever, L.L. Browning, Jr.*, R.D. Potts, Gene K. Beare, Charles F. Knight*, Eugene F. Williams, Jr.*, G.A. Lodge, L.J. Conti, E.L. Keyes, Jr.*, W.A. Rutledge*, J.J. Kerley*, V.R. Loucks, Jr., W.M. Van Cleve*.

*Member of the Executive Committee.

Areas of Work:

Government & Defense Group

Airborne fire control radar systems, airborne radio navigation systems, ammunition storage and feed systems, anechoic chambers, anti-submarine warfare detection & recording systems, automatic test equipment, electronically scanned antennas, magnetic tape recorders, intrusion detection systems, metallic and non-metallic detectors, guidance & control systems, low noise antenna feeds, naval surface armament systems, power supplies, research & dev., rocket systems, rocket & missile launching systems, satellite communications & telemetry validation systems & tactical navigation systems & missile antenna development.

Consumer Group

Arc welders, band saws, ceiling systems, console humidifiers, door chimes, drain cleaning equipment, drill presses, electric baseboard heat, electric heating and cooling systems, electrostatic air cleaners, gas cutting & welding equipment, hand tools, hot water dispensers, intercom systems, ladders & scaffolding, lathes, planers and shapers, plastic pipe welders, point source illumination, power chain saws, power plumbing tools, security systems, lighting interconnect systems. Monofilament line lawn trimmer, pipe working tools, smoke detectors, ventilation and exhaust systems, waste disposers, hobbyist tools, water fountain valves, woodworking benches and radial saws.

Commercial & Industrial Components and Systems Group

Air conditioning and refrigeration compressor motors, dryers, expansion valves, fan motors, solenoid control valves, appliance electric heating elements and controls, appliance motors, automation systems, belt and chain components & drives, bimetallic control devices, cams and index equipment, controlled speed drives, eddy current controls and drives, electronic variable speed drives, conveyor components, eddy current controls and drives, electronic power supplies, fluid flow instrumentation, fluid heat transfer systems, gears, gear motors, heating blower motors and controls, industrial electric heating elements, industrial electric heating products, irrigation flowmeter/control systems, liquid level measurement instrumentation, machine tool drives and controls, magnetic flowmeters, mechanical couplings, metal stampings, positive displacement meters, process control instrumentation, sealed terminals, special application motors, speed reducers, thermal limit devices, turbine meters, ultrasonic meters, uninterruptible power systems, vertical pump motors and drives, aviation instrumentation, & utilities equipment and tools.

Divisions and Subsidiaries:

Alco Controls Division
P.O. Box 12700
St. Louis, Missouri 63141
(314) 432-6300

Beaird-Pouland Division
5020 Flournoy Lucas Road
Shreveport, Louisiana 71102
(318) 687-0100

Brooks Instrument Division
407 W. Vine Street
Hatfield, Pennsylvania 19440
(215) 368-2000

Browning Mfg. Division
1248 E. Second Street
P.O. Box 687
Maysville, Kentucky 41506
(606) 564-5541

Commercial Cam Division
400 N. Ashland
Chicago, Illinois 60622
(312) 243-6900

Day-Brite Lighting Division
1015 S. Green Street
Drawer 1687
Tupelo, Mississippi 38801

Fusite Division
6000 Fernview Avenue
Cincinnati, Ohio 45212
(513) 731-2020

Louisville Ladder Division
1161 Algonquin Parkway
Louisville, Kentucky 40208
(501) 636-2811

Emerson Electric Co.

Ridge Tool Division
400 Clark Street
Elyria, Ohio 44035
(216) 323-5581

Special Products Division
5657 Campus Parkway
Hazelwood, Missouri 90051

Thermo-O Disc
1320 S. Main Street
Mansfield, Ohio 44907
(419) 756-5911

U.S. Electrical Motors Division
Old Gate Lane
Milford, Connecticut 06460
(203) 878-9311

WER Industrial Division
3036 Alt Boulevard
Grand Island, New York 14072
(716) 773-2321

White-Rodgers Division
9797 Reavis Road
St. Louis, Missouri 62123
(314) 631-9797

Edwin L. Wiegand Division
7500 Thomas Boulevard
Pittsburgh, Pennsylvania 15208
(412) 242-6400

Dremel Manufacturing Division
4915 Twenty-First Street
Racine, Wisconsin 53406
(414) 637-8831

Electronics & Space Division
8100 W. Florissant Avenue
St. Louis, Missouri 63136
(314) 553-2000

Emerson Motor Division
8100 W. Florissant Avenue
St. Louis, Missouri 63136
(314) 553-2000

Emerson Puerto Rico, Inc
Dorado Industrial Park
Highway 693, KM 7.3, P.O. Box 437
Dorado, Puerto Rico 00646
(809) 796-1195

Emerson Electric GmbH
Division Gustav Benz
Heerstrasse 111
Postfact 1229 West Germany
D 7050 Waiblingen

Emerson Electric Canada Limited
P.O. Box 150, Highway 48
Markham, Ontario, Canada
(416) 297-1030

ACDC Electronics Division
401 Jones Road
Oceanside, California 92054

Doric Scientific Division
3883 Ruffin Road
San Diego, California 92123

Emerson Electric Industrial Controls Division
P.O. Box 1679
Santa Ana, California 92702

Harris-Calorific Division
5501 Cass Avenue
Cleveland, Ohio 44102

A.B. Chance Company
210 North Allen Street
Centralia, Missouri 65240

Emerson Chromalox Division
8400 Pershall Road
St. Louis, Missouri 63136

In-Sink-Erator Division
4700 Twenty-First Street
Racine, Wisconsin 53406

Weed Eater Inc.
10515 Harwin Drive
Houston, Texas 77036

Statitrol Inc.
140 S. Union Boulevard
Lakewood, Colorado 80228

Rittenhouse Division

Rosemount Division

McPhilben Lighting Division

Urick Foundry Division

Tuttle Electric Division

Appleton Electric Company

Rantec Division

Electronic Navigation Industries

Acquisition(s):

Branson, Inc.
Produces ultrasonic products for cleaning, metal testing and plastic welding.

Beckman Industrial, Inc.
Manufacturer of electronic components, test equipment and process control instrumentation.

Hurst, Inc.
Manufactures high performance stepper and permanent magnetic motors.

Micro Motion, Inc.
Produces mass flow measurement systems.

Computer Power Systems, Inc.
Manufactures power conditioning systems for computers.

Transfer Agent(s):

Centerre Trust Company
(Common & Preferred Shares)
510 Locust Street
St. Louis, Missouri 63101

Stock Exchange(s): New York, Midwest

Ticker Symbol: EMR

Number of Employees:

1984	57,000	1981	57,800
1983	50,000	1980	56,400
1982	52,700		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 4,178,810	$ 349,203
1983	3,475,709	302,927
1982	3,502,327	300,105
1981	3,578,073	286,164
1980	3,190,137	246,063

	No. of Com. Shares ‡	Earn. per Share ‡
1984	68,517,000	$ 5.10
1983	68,561,000	4.42
1982	68,613,060	4.37
1981	68,750,000	4.16
1980	68,480,000	3.59

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Commercial & industrial	$ 2,566,000	$ 2,019,000
Consumer products	1,171,000	1,073,000
Government & defense	481,000	423,000
Intersegment sales	(39,000)	(39,000)
Total	$ 4,179,000	$ 3,476,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.30	—	—
1983	2.10	—	—
1982	2.00	—	—
1981	1.76	—	—
1980	1.60	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 1,869,239	$ 27.27
1983	1,701,745	24.83
1982	1,558,715	22.73
1981	1,443,212	21.06
1980	1,277,128	18.70

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 4,178,810	$ 3,475,709
Cost of sales	2,730,599	2,280,677
Expenses	799,226	661,727
Interest expense	27,537	16,395
Other expense (income)	3,545	(20,717)
Income before taxes	$ 617,903	$ 537,627
Income taxes	268,700	234,700
Net Income	$ 394,203	$ 302,927

* Included in Costs and Expenses, Depreciation and Amortization: $123,390,000 in 1984 and $103,917,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 15,762	$ 5,898
Short-term invest.	87,224	250,195
Accts. receiv., net	661,726	532,810
Costs on long-term contracts	10,388	10,899
*Inventories	1,080,202	916,316
Other curr. assets	65,904	43,822
Current Assets	$ 1,921,206	$ 1,759,940
#Fixed assets	753,493	661,129
Other assets	304,861	94,582
Total Assets	$ 2,979,560	$ 2,515,651

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 207,439	$ 42,221
Acct. payable	249,082	210,342
Accruals	281,405	207,224
Income taxes	80,621	76,030
Adv. pay. on contracts	66,112	81,747
Curr. Liabilities	$ 884,659	$ 617,564
Long-term debt	130,499	146,073
Other liab.	95,163	50,269
+ Common stock	69,080	68,921
Add. paid-in capital	85,655	79,337
Retained earnings	1,822,654	1,631,097
Cum. trans. adjust.	(80,105)	(59,118)
Treasury stock	(28,045)	(18,492)
Total Liabilities & Shareholders' Equity	$ 2,979,560	$ 2,515,651

* At lower of cost or market. Majority at standard costs; remainder at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.79	15.47
%Net Income to Sales	9.43	8.72
%Net Income to Equity	21.09	17.80

Sales to Inventories	3.87	3.79
Working Capital	$1,036,547,000	$1,091,590,000
Current Ratio	2.17	2.69
Shareholders' Equity	$1,869,239,000	$1,701,745,000

Emerson Radio Corp.

1 Emerson Lane
Secaucus, New Jersey 07094
(201) 865-4343

25117 SW Parkway
Wilsonville, Oregon 97070

Officers: William W. Lane, chairman; Stephen L. Lane, president; Donald Dvorkin, exec. v.p. & secretary; Saul Knazick, sr. v.p.-marketing; Harold Falik, v.p.-finance & treasurer; Kunio Takei, v.p.-foreign operations; Hachiro Masuda, v.p.-design.

Directors: William W. Lane, chairman; Stephen L. Lane, Jay M. Haft, John J. Cunningham.

Areas of Work: Designs and markets televisions, radios, tape players, clock radios and compact stereos. The company's Cardiac Resuscitator Corporation subsidiary designs and manufactures devices which automatically diagnose and treat ventricular fibrillation, the leading cause of cardiac arrest. These products include external pacemakers and automated defibrillator-pacemakers.

Subsidiaries:

Cardiac Resuscitator Corporation

1 Emerson Lane
Secaucus, New Jersey 07094
(201) 865-4343

25117 SW Parkway
Wilsonville, Oregon 97070
(503) 682-2244

Emerson Radio (HongKong) Limited
1009-1015 World Shipping Centre, 10th Floor
Harbor City Phase 1, No. 7 Canton Road
Tsim Sha Tsui, Lowloon, Hong Kong

Imatron Inc.
454 Carlton Court
South San Francisco, California 94080

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: EME

Sales and Earnings

	Net Sales	Net Income
1983	$ 95,051,000	$ 3,133,000
1982	87,781,000	256,000
1981	87,827,000	(251,000)
1980	81,694,000	1,619,000
1979	74,177,000	3,151,000

	No. of Com. Shares	Earn. per Share #
1983	8,339,360	$ 0.38
1982	4,969,917	0.03
1981	2,968,230	—
1980	2,427,445	0.21
1979	1,869,348	0.44

(Loss)
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	5-for-3
1982	—	—	5-for-3
1981	—	20%	—
1980	—	10%	—
1979	—	10% & 10%	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 21,523,000	$ 2.58
1982	17,303,000	3.48
1981	16,846,000	5.68
1980	16,661,000	6.86
1979	11,103,000	5.94

Income Account *

Year ended Mar. 31	1983	1982
Net sales	$ 95,051,000	$ 87,781,000
Cost of sales	83,423,000	73,894,000
Expenses	12,798,000	11,746,000
Interest expense	3,366,000	3,313,000
Eq. in loss of Imatron	1,231,000	674,000
Gain from sale of stock	(6,639,000)	—
Gain on lease mod.	—	(1,451,000)
Gain on repurch of deben.	—	(289,000)
Income (loss) before taxes	$ 872,000	$ (106,000)
Tax credit	(1,845,000)	(362,000)
Minority interest	(416,000)	—
Net Income	$ 3,133,000	$ 256,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,347,000 in 1983 and $1,239,000 in 1982.

Assets

As of Mar. 31	1983	1982
Cash	$ 3,533,000	$ 1,439,000
Accts. receiv., net	18,248,000	14,855,000
*Inventories	15,691,000	18,784,000
Inc. taxes receiv.	650,000	863,000
Prepaid expenses & other curr. assets	2,650,000	3,705,000
Current Assets	$ 40,772,000	$ 39,646,000
Investment in Imatron	258,000	269,000
#Fixed assets	2,255,000	2,440,000
Other assets	3,269,000	1,216,000
Total Assets	$ 46,554,000	$ 43,571,000

Liabilities

Notes & accept. payable	$ 9,509,000	$ 13,105,000
Accts. payable	1,161,000	2,407,000
Accruals	3,100,000	1,414,000
Curr. Liabilities	$ 13,770,000	$ 16,926,000
Long-term debt	10,455,000	8,597,000
Deferred inc. taxes	—	745,000
Minority interest	806,000	—
+Common stock	835,000	499,000
Add. paid-in capital	15,641,000	14,550,000
Retained earnings	5,055,000	2,272,000
Treasury stock	(8,000)	(18,000)
Total Liabilities & Shareholders' Equity	$ 46,554,000	$ 43,571,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.92	—
%Net Income to Sales	3.30	0.29
%Net Income to Equity	14.56	1.48
Sales to Inventories	6.06	4.67
Working Capital	$27,002,000	$22,720,000
Current Ratio	2.96	2.34
Shareholders' Equity	$21,523,000	$17,303,000

Emhart Corporation

426 Colt Highway
Farmington, Connecticut
(203) 678-3000

Mailing Address:

P.O. Box 2730
Hartford, Connecticut 06101

Officers: T. Mitchell Ford, chairman of the board & chief exec. officer; William C. Lichtenfels, president & chief operating officer; Stephen J. Ruffi, vice chairman & chief administrative officer; Enos H. Arnold, controller; Ralph M. Branca, v.p.-development; John F. Budd, Jr., v.p.-external relations; Sherman B. Carpenter, sr. v.p.; Royal E. Cowles, v.p.-human resources; Dean M. Hennessy, v.p. & general counsel; Leo T. Hinkley, v.p.-operations staff; Richard L. Cote, v.p. & chief accounting officer; Gilbert O'Neil, v.p.-investor relations; Carl A. Horne, v.p. & tax counsel; C. Morgan Hussey, secretary; Walter A. Jaeger, v.p.-manufacturing staff; Achim Knust, sr. v.p.-finance; John S. Rydz, v.p.-technology; J. Michael Stepp, treasurer; Tom Bleasdale, Raymond A. DeVita, N. Wayne Etter, Thomas T. Gately, Kenneth A. Josephson, Robert R. Quackenbush, v.p.'s & group presidents; Ronald J. Hodge, William F. Scanlon, Harry F. Weizer, A. Peter Clackson, group presidents.

Directors: T. Mitchell Ford*, chairman; Richard S. Bodman, Hershner Cross, William B. Ellis, James F. English, Jr.*, William C. Lichtenfels, Charles H. Kaman*, Augustus P. Loring*, Michael Scott Morton, Wilson Wilde*, Stephen J. Ruffi, Marion S. Kellogg.

*Member of the Executive Committee.

Areas of Work: The Company's Electrical/Electronic Group manufactures aluminum and tantalum electrolytic capacitors, motor run capacitors and audible signal devices. Also produces electro-mechanical timing devices, synchronous motors, electronic assemblies and components; carbon and wire wound controls, and switches; solid state control systems; hydrocarbon detection systems; smoke, gas and burglary detection devices; industrial and commercial fire protection and monitoring systems; equipment for sequencing and inserting or mounting electronic components for printed circuit boards and ceramic substrates. Vapor phase soldering systems. Other areas of work include hardware store equipment, shoe machinery and shoe materials, chemicals and fasteners, glass container making machinery, rubber and plastics machinery, metalworking machinery and gear manufacturing machinery.

Subsidiaries:

Esser Sicherheitstechnik, GmbH
Produces fire detection and alarm systems.

Dage Precima International, Limited
Manufactures chip placement machinery and equipment for semiconductor assembly.

Bermarflex S.p. A.
Manufactures insoles for footwear.

Manquinas Imacal Mohrbach, Ltda.
Shoe machinery manufacturer.

Acquisition(s):

Lane Amalgamated Hardware Company
Australia
Manufactures hardware.

The HTC Corporation
A manufacturer of vapor phase soldering equipment.

Transfer Agent(s):

The Connecticut Bank & Trust Company, N.A.
One Constitution Plaza
Hartford, Connecticut 06115

Stock Exchange(s): New York, London, Frankfurt

Ticker Symbol: EMH

Number of Employees:

1984	28,944	1981	32,349
1983	29,502	1980	33,523
1982	32,349		

Emhart Corporation

Plant Footage*:

1984	7,823,000 sq.ft	1982	8,226,000
1983	8,209,000		

* Includes only owned domestic properties.

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1984	$ 1,794,500	$ 90,400
1983	1,685,600	84,300
1982	1,710,400	80,200
1981	1,747,100	75,500
1980	1,802,900	65,200

	No. of Com. Shares +	Earn. per Share #
1984	27,552,000	$ 3.27
1983	27,408,000	3.06
1982	27,223,000	2.97
1981	26,406,000	2.75
1980	26,736,000	2.42

+ Adjusted to reflect stock dividend and stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Revenues By Line of Business
(000's)

	1984	1983
Machinery & related prod.	$ 643,800	$ 627,000
Hardware prod.	325,000	279,700
Chemical & allied prod.	261,200	258,500
Fasteners & indus. prod.	202,300	193,600
Electronic & elec. comp.	246,400	222,000
Other	115,800	104,800
Total	$ 1,794,500	$ 1,685,600

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$1.27	10%	—
1983	1.20	—	2-for-1
1982	1.12	—	—
1981	1.09	—	—
1980	1.09	—	—

# Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1984	$ 529,500,000	$ 19.22
1983	507,502,000	18.52
1982	478,232,000	17.57
1981	454,040,550	17.19
1980	457,694,900	17.12

† After allowing for preferred stock at liquidation value.
‡ Adjusted to reflect stock split and stock dividend.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Revenues	$ 1,794,500	$ 1,685,600
Cost of sales	1,202,200	1,124,500
Expenses	417,500	409,000
Interest expense	20,300	15,400
Other expense	1,900	2,500
Income before taxes	$ 152,600	$ 134,200
Income taxes	62,200	49,900
Net Income	$ 90,400	$ 84,300

* Included in Costs and Expenses, Depreciation and Amortization: $46,700,000 in 1984 and $42,200,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 15,200	$ 5,800
Short-term invest.	42,700	38,000
Receiv., net	271,700	274,400
*Inventories	329,000	308,600
Def. inc. tax benefits	16,400	19,100
Prepaid expenses	11,200	10,900
Current Assets	$ 686,200	$ 656,800
Depreciable assets	307,900	289,400
Intangibles and other assets	65,500	71,900
Total Assets	$ 1,059,600	$ 1,018,100

Liabilities
(000's)

	1984	1983
Notes payable	$ 54,100	$ 23,200
Accts. payable	92,300	87,300
Accruals & other liab.	157,000	158,800
Income taxes	11,800	18,800
Curr. Liabilities	$ 315,200	$ 288,100
Long-term debt	128,200	131,100
Unfunded pension liab.	34,400	39,600
Deferred inc. taxes	38,300	36,500
Other liab.	10,500	10,900
+ Preferred stock	1,900	2,300
+ + Common stock	30,500	27,900
Add. paid-in capital	257,300	186,000
Retained earnings	402,000	419,200
Treasury stock	(49,800)	(49,800)
Cum. trans. adjust.	(108,900)	(73,700)
Total Liabilities & Shareholders' Equity	$ 1,059,600	$ 1,018,100

* At lower of cost (LIFO) or market.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.50	7.96
%Net Income to Sales	5.04	5.00
%Net Income to Equity	16.96	16.47
Sales to Inventories	5.45	5.46
Working Capital	$371,000,000	$368,700,000
Current Ratio	2.18	2.28
Shareholders' Equity	$533,000,000	$511,900,000

Energy Conversion Devices, Inc.

1675 West Maple Road
Troy, Michigan 48084
(313) 280-1900

Officers: Ralph F. Leach, chairman of the board; Stanford R. Ovshinsky, president, chief exec. officer; Jack T. Conway, vice chairman; Robert R. Johnson, sr. v.p.-information systems; Nancy M. Bacon, v.p.-finance & treasurer; Robert E. Dyas, v.p.-marketing & sales; Stephen J. Hudgens v.p.-research & development; Rikuma Ito, exec. v.p.; Masatsugu Izu, v.p.-Photovoltaic Manufacturing Development; James J. Trebilcott, exec. v.p.; Iris M. Ovshinsky, Roger H. Cummings, v.p.'s; Hellmut Fritzsche, v.p.; Momoko Ito, v.p.-int'l business relations; John P. deNeufville, v.p.-materials development; Masat Izu, v.p.-photovoltaics; Lawrence G. Norris, v.p. & corporate counsel; Lionel Robbins, v.p.-corporate affairs; Morton Levine, secretary.

Directors: Hellmut Fritzsche, Morton Levine, Iris M. Ovshinsky, Stanford R. Ovshinsky, Jack T. Conway, Donald C. Webster, Richard H. Cummings, Ralph F. Leach, Stanley Stynes, Nancy M. Bacon, Momoko Ito, Robert R. Wilson, Robert R. Johnson, John P. deNeufville, James W. Birkenstock, James J. Trebilcott, Edwin O. Reischauer.

Areas of Work: Develops amorphous materials technology for products in three areas: energy, information and synthetic materials. Applications include photovoltaics, thermoelectrics, batteries, flat-panel displays, optical memories, electrophotographic drums, wear-resistant coatings and X-ray mirrors.

Divisions and Subsidiaries:

Ovonics ThermoElectric Company
ThermoOvonics Company, Ltd.
Ovonic Display Systems, Inc.
Ovonic Synthetic Materials Company
Japan-ECD Company, Ltd.
Ovonics, Inc.

Joint Venture(s):

Sovonics Solar Systems
Sovonics Solar Technology
Ovonic Battery Company

Transfer Agent(s):

National Bank of Detroit
Stock Transfer Department
611 Woodward Avenue
Detroit, Michigan 48226

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ENER (NASDAQ)

Number of Employees:

1984	470	1981	176
1983	313	1980	92
1982	297		

Plant Footage:

1984	175,810 sq. ft	1981	45,500
1983	120,310	1980	21,300
1982	106,030		

Sales and Earnings

	Net Revenues	Net Income †
1984	$ 29,227,768	$ (8,848,108)
1983	20,540,709	(5,116,186)
1982	22,626,973	(1,574,651)
1981	15,870,114	1,381,536
1980	5,153,518	(1,645,597)

	No. of Com. Shares #	Earn. per Share#
1984	4,051,586	$ —
1983	3,185,404	—
1982	2,957,458	—
1981	2,819,338	0.49
1980	2,630,968	—

(Loss)
† Including extraordinary gain of $690,000 ($0.24 per share) in 1981.
# Based on the monthly average number of Class A common and common shares combined.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 25,916,082	$ 6.40
1983	19,267,565	6.05
1982	8,539,274	2.89
1981	8,047,400	2.85
1980	1,363,329	0.52

‡ Based on the monthly average number of Class A common and common shares combined.

Income Account *

Year ended June 30	1984	1983
Revenues	$ 29,227,768	$ 20,540,709
Cost of revenues	25,915,271	19,256,693
Product develop. exp.	3,842,688	2,703,245
Patent expenses	1,100,908	992,739
Oper. expenses	3,895,897	2,339,866
Interest expense	321,112	364,352
Repurch. of technology	3,000,000	—
Net Loss	$ (8,848,108)	$ (5,116,186)

* Included in Costs and Expenses, Depreciation and Amortization: $2,318,037 in 1984 and $2,257,023 in 1983.

Assets

As of June 30	1984	1983
Cash & short-term invest.	$ 24,417,110	$ 16,256,935
Accts. receiv., net	2,062,876	664,074
Prepaid expenses & other assets	635,053	591,894
Current Assets	$ 27,115,039	$ 17,512,903
#Fixed assets	8,973,188	7,875,452
Other assets	1,241,448	940,123
Total Assets	$ 37,329,675	$ 26,328,478

Liabilities

	1984	1983
Long-term debt, curr.	$ 774,760	$ 690,998
Accts. payable	3,199,573	2,469,677
Accrued payroll	522,264	637,033
Adv. from partners	3,043,613	620,777
Deferred prod. develop. revenues	595,248	383,696
Curr. Liabilities	$ 8,135,458	$ 4,802,181
Long-term debt	2,078,135	2,258,732
Long-term deferred rev.	1,200,000	—
+Common stock, Class A	2,199	2,199
+Common stock	40,573	35,957
Add. paid-in capital	70,516,643	55,024,634
Retained earnings (deficit)	(44,643,333)	(35,795,225)
Total Liabilities & Shareholders' Equity	$ 37,329,675	$ 26,328,478

# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

Working Capital	$18,979,581	$12,710,722
Current Ratio	3.33	3.65
Shareholders' Equity	$25,916,082	$19,267,565

EPSCO, Incorporated

411 Providence Highway
Westwood, Massachusetts 02090
(617) 329-1500

Officers: Wayne P. Coffin, president & chief executive officer; Edward Barton, v.p.-programs & contracts; Victor F. Camilleri, v.p.-mfg.; John B. Langley, II, v.p. & gen. mgr.-Microwave Division; Charles J. Dockendorff, treasurer & chief financial officer; Sidney Werlin, clerk & secretary.

Directors: Robert Raymond, chairman; Wayne P. Coffin, Walter W. Curcio, Richard N. Hokin, Kenneth F. Dietz, Sidney Werlin, James H. Furneaux, Samuel Labate.

Areas of Work: Designs and manufactures Microwave systems and components, special test and simulation equipment and navigation systems for both defense and commercial aplications.

Transfer Agent(s):

Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EPSC (NASDAQ)

Number of Employees:

1984	165	1981	240
1983	175	1980	240
1982	175		

Plant Footage:

1984	60,000 sq. ft.	1981	60,000
1983	60,000	1980	60,000
1982	60,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 10,313,700	$ 501,000
1983	12,010,300	(1,160,000)
1982	13,092,186	(1,275,000)
1981	15,402,055	491,410
1980	16,018,338	935,731

	No. of Com. Shares#	Earn. per Share#
1984	1,342,000	$ 0.37
1983	1,317,500	—
1982	1,299,100	—
1981	1,292,900	0.38
1980	976,600	0.96

(Loss)
# Based on average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 8,919,500	$ 6.65
1983	8,418,500	6.39
1982	9,535,705	7.34
1981	10,810,705	8.36
1980	10,279,840	10.53

# Based on average number of shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 10,313,700	$ 12,010,300
Cost of sales	7,074,700	8,810,100
Expenses	2,960,000	5,272,500
Oper. inc. (Loss)	$ 279,000	$ (2,072,300)
Interest income	(526,000)	(389,700)
Interest expense	180,000	203,400
Income (loss) before taxes	$ 625,000	$ (1,886,000)
Income taxes (credit)	124,000	(726,000)
Net Income (Loss)	$ 501,000	$ (1,160,000)

* Included in Costs and Expenses, Depreciation and Amortization: $358,700 in 1983 and $190,000 in 1982.

Assets

As of Dec. 31	1984	1983
Cash and equivalents	$ 5,349,800	$ 5,280,400
Accts. & notes receiv., net	611,700	1,135,100
Long-term contracts	2,555,600	1,227,600
Refund. inc. taxes	—	384,600
*Inventories	1,813,200	1,815,700
Prepaid expenses	32,600	44,300
Current Assets	$ 10,362,900	$ 9,887,700
#Fixed assets	1,523,100	1,014,700
Total Assets	$ 11,886,000	$ 10,902,400

Liabilities

	1984	1983
Long-term debt. curr.	$ 250,000	$ —
Accts. payable	796,700	415,800
Accruals	487,900	510,200
Deferred inc. taxes	181,900	57,900
Curr. Liabilities	$ 1,716,500	$ 983,900
Long-term debt	1,250,000	1,500,000
+Common stock	1,382,000	1,382,600
Add. paid-in capital	9,443,600	9,443,600
Deficit	(1,817,500)	(2,318,500)
Treasury stock	(89,200)	(89,200)
Total Liabilities & Shareholders' Equity	$ 11,886,000	$ 10,902,400

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.06	—
%Net Income to Sales	4.86	—
%Net Income to Equity	5.62	—
Sales to Inventories	5.69	6.61
Working Capital	$8,645,500	$8,903,800
Current Ratio	6.04	10.05
Shareholders' Equity	8,919,500	$8,418,500

Esquire Radio & Electronics, Inc.

4100 1st Avenue
Brooklyn, New York 11232
(718) 499-0020

Officers: A. Robert Lieberman, chairman of the board & president; Simon Lynn, executive v.p.; Paul Smith, v.p.-engineering; Nicholas Maffei, v.p.-sales; Harvey Lieberman, v.p.-manufacturing; Gilbert Sherr, treasurer; Joshua Levine, secretary & counsel.

Directors: A. Robert Lieberman, chairman; Simon Lynn, Paul Smith, Gertrude Lieberman, Monte Levin.

Areas of Work: Manufactures and imports consumer electronic products such as VCRs, color televisions, telephones and microwave ovens.

Subsidiaries:

Tangent Industries, Ltd.
Provides repair and factory refurbishing services.

Transfer Agent(s):

Republic National Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: EE

Number of Employees:

1984	44	1982	235
1983	55		

Plant Footage:

1984	440,000 sq. ft.	1981	522,000
1983	480,000	1980	522,000
1982	480,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 10,488,187	$ 851,960
1983	67,567,898	2,261,483
1982	63,608,115	2,087,215
1981	68,036,462	2,660,226
1980	51,862,584	1,711,989

	No. of Com. Shares #	Earn. per Share #
1984	483,000	$ 1.76
1983	483,000	4.68
1982	483,000	4.32
1981	483,000	5.51
1980	483,000	3.54

# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.72	—	—
1983	0.72	—	—
1982	0.81	—	—
1981	0.66	—	—
1980	0.45	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 20,455,600	$ 42.35
1983	19,951,400	41.31
1982	18,037,677	37.35
1981	16,341,692	33.83
1980	14,000,246	28.99

# Based on the weighted average number of shares outstanding.

Esquire Radio & Electronics, Inc.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 10,488,187	$ 67,567,898
Cost of sales	10,051,330	62,487,401
Expenses	1,449,726	2,789,280
Interest income	(1,919,766)	(1,626,812)
Income before taxes	$ 906,897	$ 3,918,029
Income taxes	54,937	1,656,546
Net Income	$ 851,960	$ 2,261,483

* Included in Costs and Expenses, Depreciation and Amortization: $161,713 in 1984 and $103,877 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 23,771,582	$ 5,632,867
Accts. receiv., net	43,611	11,831,310
*Inventories	—	12,379,276
Prepaid expenses	447,049	39,578
Current Assets	$ 24,262,242	$ 29,883,031
#Fixed assets	518,548	357,999
Deferred comp. fund	711,933	637,478
Total Assets	$ 25,492,723	$ 30,878,508

Liabilities

	1984	1983
Prov. for claims	$ 4,168,324	$ —
Accts. payable & accruals	690,442	10,512,690
Income taxes	—	315,000
Curr. Liabilities	$ 4,858,766	$ 10,827,690
Deferred comp.	178,357	99,418
+Common stock	65,126	65,126
Add. paid-in capital	640,209	640,209
Retained earnings	21,688,429	21,184,229
Treasury stock	(1,938,164)	(1,938,164)
Total Liabilities & Shareholders' Equity	$ 25,492,723	$ 30,878,508

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	8.65	5.80
%Net Income to Sales	8.12	3.35
%Net Income to Equity	4.16	11.33
Sales to Inventories	—	5.46
Working Capital	$19,403,476	$19,055,341
Current Ratio	4.99	2.76
Shareholders' Equity	$20,455,600	$19,951,400

Esterline Corporation

CBT Plaza
1120 Post Road
Darien, Connecticut 06820
(203) 655-7651

Officers: Bushrod W. Burns, chairman of the board; Thomas P. Howes, president & chief executive officer; John J. Kane, John E. Pomeroy, Theodore F. Brolund, v.p.'s & group executives; John H. MacDonald, v.p. & treasurer; Robert A. Goldschmidt, v.p. & controller; Robert D. Farley, v.p., secretary & general counsel.

Directors: Charles H. Dyson, Secor D. Browne, Robert F. Goldhammer, Bushrod W. Burns, Jr., Donald J. Jones, Thomas P. Howes, Anne E. Dyson, Lee L. Davenport, Robert S. Ames.

Areas of Work: Manufactures products principally in the fields of automation, quality control and instrumentation.

Divisions and Subsidiaries:

Automation:

Boyar-Schultz Corporation
2000 South 25th Avenue
Broadview, Illinois 60153
(312) 345-1300

Manufactures surface and contour grinding machines for general manufacturing and tool room operations.

Equipment Sales Company, Inc.
70 Industrial Avenue
Lowell, Massachusetts 08152

Produces automated equipment for bareboard testing as well as shorts and opens testing of assembled printed circuit boards.

W.A. Whitney Corporation
650 Race Street
Rockford, Illinois 61105
(815) 964-6771

W.A. Whitney Italia, S.p.A.
Strada Del Francese 130/9
Turin 10156, Italy

Manufactures automated equipment for sheet metal, plate, and structural steel fabrication.

Excellon Industries, Inc.
23915 Garnier Street
Torrance, California 90509
(213) 352-8000

Excellon Automation
23915 Garnier Street
Torrance, California 90509
(213) 325-8000

Manufactures automated printed circuit board drilling and routing machinery and optical programming systems of such machinery.

Excellon Europa GmbH
Justus-von-Liebig-Str. 19
D-6057 Dietzenbach/BRD
West Germany

Tulon, Inc.
15209 South Broadway
Gardena, Californi . 90248
(213) 532-1040

Produces tungsten carbide printed circuit board drills and metal cutting tools.

Quality Control:

Federal Products Corporation
1144 Eddy Street
Providence, Rhode Island 02901
(401) 781-9300

Produces analog and digital dimensional measurement and inspection instruments for industrial quality control applications.

A.G. Davis Gage & Engineering Company
21435 Dequindre Road
Hazel Park, Michigan 48030
(313) 548-9444

Manufactures large dimensional measurement systems, automated index tables, and work holders.

Federal Gages Ltd. (70% owned by Federal Products Corp.)
Brick Knoll Park, Ashley Road
St. Albans, AL1 SPL
Herts, England

Instrumentation:

Esterline Angus Instrument Corporation
1201 Main Street
Indianapolis, Indiana 46224
(317) 244-7611

Manufactures analog and digital recording instruments, analytical process monitoring and control instrumentation.

Scientific Columbus, Inc.
1900 Arlingate Lane
Columbus, Ohio 43228
(614) 294-5671

Products include: Analog and digital electronic meters, transducers, and instruments for monitoring, billing, and controlling electric power.

Auxitrol
1, Rue d'Anjou
92600 Asnieres, France

Auxitrol Iberiço S.A.
C/Caucho s/n, Poligono-Industrial
Apartado num. 30
Torrejon de Ardoz,
(Madrid) Spain

Excellon International
Dominion Way
Near Little Hampton
Rustington, Sussex
England BN16-3HQ

Manufactures automated printed circuit board production machinery, manual printed circuit board drilling and routing machinery.

Acquisition(s):

Boice Division of Mechanical Technology Inc.
Hollis Automation, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Company
P.O. Box 24935
Church Street Station
New York, New York 10249

The First Jersey National Bank
One Exchange Place
Jersey City, New Jersey 07302

Stock Exchange(s): New York

Ticker Symbol: ESL

Sales and Earnings

	Net Sales +	Net Income
1984	$ 260,595,000	$ 18,037,000
1983	187,677,000	7,685,000
1982	194,422,000	10,645,000
1981	223,682,000	19,684,000
1980	234,753,000	19,880,000

	No. of Com. Shares #	Earn. per Share #
1984	8,446,000	$ 2.14
1983	8,446,000	0.91
1982	8,461,000	1.26
1981	8,492,000	2.32
1980	7,839,000	2.51

+ Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Automation	$ 159,816	$ 98,280
Metrology	50,933	40,142
Instrumentation	49,846	49,255
Total	$ 260,595	$ 187,677

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.66	—	—
1983	0.64	—	—
1982	0.64	—	—
1981	0.62	—	—
1980	0.446	—	3-for-2 & 3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 106,236,000	$ 12.59
1983	94,961,000	11.24
1982	93,628,000	11.07
1981	90,625,000	10.67
1980	78,632,000	10.03

Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Oct. 31		1984		1983
Net sales	$	260,595	$	187,677
Cost of sales		149,734		117,276
Expenses		76,446		57,874
Interest expense		4,344		4,453
Interest income		(2,069)		(2,107)
Income before taxes	$	32,140	$	10,181
Income taxes		15,302		4,094
Inc.-cont. oper.	$	16,838	$	6,087
Inc.-discont. oper.		1,199		1,598
Net Income	$	18,037	$	7,685

* Included in Costs and Expenses, Depreciation and Amortization: $5,383,000 in 1984 and $4,194,000 in 1983.

Assets
(000's)

As of Oct. 31		1984		1983
Cash	$	20,479	$	18,811
Accts. & notes receiv., net		47,870		41,959
*Inventories		65,476		48,980
Assets of discont. oper.		3,106		3,063
Prepaid expenses		1,720		2,013
Current Assets	$	138,651	$	114,826
#Fixed assets		32,820		30,526
Other assets		2,513		2,445
Assets of discont. oper.		5,978		6,155
Intangibles		11,075		11,509
Total Assets	$	191,037	$	165,461

Liabilities
(000's)

Notes payable	$	5,386	$	3,761
Long-term debt, curr.		1,520		1,727
Accts. payable		17,835		14,013
Accruals		23,793		15,859
Income taxes		3,032		382
Curr. Liabilities	$	51,566	$	35,742
Long-term debt		31,204		32,810
Other liabilities		1,931		1,948
+Common stock		1,732		1,732
Add. paid-in capital		13,891		13,889
Retained earnings		98,037		85,573
Cumulative translation adjustments		(5,823)		(4,731)
Treasury stock		(1,501)		(1,502)
Total Liabilities & Shareholders' Equity	$	191,037	$	165,461

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.20 par value.

Statistical Summary

%Net Income to Equity	16.96	8.09
Sales to Inventories	3.98	3.83
Working Capital	$ 87,085,000	$79,084,000
Current Ratio	2.69	3.21
Shareholders' Equity	$106,336,000	$94,961,000

E-Systems, Inc.

6250 LBJ Freeway
P.O. Box 660248
Dallas, Texas 75266
(214) 661-1000

Officers: John W. Dixon, chairman of the board & chief exec. officer; David R. Tacke, president & chief operating officer; E. Gene Keiffer, sr. v.p.-electronics systems group; A. Lowell Lawson, sr. v.p.-aircraft systems group; Eugene E. Berg, v.p.-corporate planning; James W. Crowley, v.p., secretary & general counsel; Lee M. Crutchfield, v.p.-corporate administration; T.B. Johnson, Jr., v.p. & gen. mgr.-Greenville Division; T.D. Kelly, v.p.-finance & chief financial officer; James W. Pope, v.p. & controller; Joe W. Russell, v.p.-corp. relations; Eaton Adams, v.p.-customer relations; Harry L. Thurman, v.p.-new business development; Charles R. Farmer, Jr., v.p. & gen. mgr.-Garland Division.

Directors: John W. Dixon, chairman; E.F. Buehring, Duward L. Crow, LeVan Griffis, S. Lee Kling, Francine I. Neff, W.F. Raborn, D.R. Tacke, A. Lowell Lawson, E. Gene Keiffer.

Areas of Work: Engaged in the development and production of command and control systems and equipment primarily for defense applications on a worldwide basis. Complete systems have included clear and secure communication systems, large-scale data processing systems, software, data-link terminals, displays, and related antennas. Produces and develops electronic warfare systems and electromagnetic support equipment; intelligence processing, which includes signal processing systems, computer systems, and modeling, and systems studies; intelligence collection, which includes signal collection systems and systems studies; tactical/security electronics which includes jamming and deception systems, electronic countermeasure systems, radar homing and warning systems, fuzing and timing devices, intrusion detection devices, and special-purpose devices. Engaged in the production of tactical radios and military communications systems and equipment, and guidance and navigation systems; also produces information handling and data-display systems, flight control systems, and electronic components, including resistors, rheostats and switches. Also engaged in aircraft overhaul, maintenance and modification.

Divisions and Subsidiaries:

Electronics Systems Group

Garland Division
P.O. Box 226118
Dallas, Texas 75266
(214) 272-0515

Melpar Division
7700 Arlington Boulevard
Falls Church, Virginia 22046
(703) 560-5000

Montek Division
2268 South 3270 West
Salt Lake City, Utah 84119
(801) 973-4300

Aircraft Systems Group

Greenville Division
P.O. Box 1056
Greenville, Texas 75401
(214) 455-3450

Serv-Air, Inc.
P.O. Box 1669
Greenville, Texas 75401
(214) 454-2000

Air Asia Company Limited
Tainan Airfield
Tainan, Taiwan 700
Republic of China

Florida Operations

ECI Division
1501 72nd Street No.
St. Petersburg, Florida 33733
(813) 381-2000

Memcor-Tampa Division
P.O. Box 23500
Tampa, Florida 33623
(813) 885-7000

Center for Advanced Planning and Analysis
10530 Rosehaven, Suite 200
Fairfax, Virginia
(703) 352-0300

Communications Manufacturing Division
P.O. Box 33010
St. Petersburg, Florida 33733
(813) 381-1151

Transfer Agent(s):

MBank Dallas, N.A.
P.O. Box 225415
Dallas, Texas 75265

Stock Exchange(s): New York, London

Ticker Symbol: ESY

Number of Employees:

1984	11,984	1981	11,771
1983	11,941	1980	10,624
1982	12,142		

Plant Footage:

1984	5,000,000 sq. ft.	1981	4,600,000
1983	5,000,000	1980	4,370,000
1982	5,000,000		

Sales and Earnings

		Net Sales		Net Income
1984	$	819,353,000	$	61,109,000
1983		826,819,000		55,246,000
1982		754,385,000		35,779,000
1981		572,045,000		23,837,000
1980		442,229,000		12,759,000

	No. of Com. Shares †	Earn. per Share ‡
1984	29,687,373	$ 2.02
1983	29,314,719	1.82
1982	28,808,262	1.21
1981	27,911,180	0.84
1980	27,584,080	0.47

† Adjusted to reflect stock splits.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

		1984		1983
Electronics warfare	$	466,098	$	416,436
Command, control & communications		214,870		231,575
Guidance, control & navigation		52,004		57,076
Aircraft maintenance & modification		86,381		89,249
Other products		—		32,483
Total	$	819,353	$	826,819

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.44	—	2-for-1
1982	0.33	—	—
1981	0.25	—	2-for-1
1980	0.25	—	--

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 285,954,000	$ 9.63
1983	238,333,000	8.13
1982	190,970,000	6.63
1981	159,387,000	5.71
1980	140,209,000	5.08

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31		1984		1983
Net sales	$	819,353	$	826,819
Other income		6,605		10,686

	1984	1983
Total Income	$ 825,958	$ 837,505
Cost of sales	646,090	667,928
Expenses	76,481	75,112
Interest expense	2,121	1,712
Income before taxes	$ 101,266	$ 92,753
Income taxes	40,157	37,507
Net Income	$ 61,109	$ 55,246

* Included in Costs and Expenses, Depreciation and Amortization: $15,527,000 in 1984 and $12,051,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & securities	$ 10,089	$ 5,078
Short-term investments	52,576	35,563
Accts. receiv., net	93,249	96,016
Unreimbursed costs & fees	48,896	41,690
Fixed-price contracts	77,861	66,618
Raw materials & purch. parts	8,949	8,059
Other assets	4,952	5,328
Current Assets	$ 296,572	$ 258,352
#Fixed assets	114,208	105,984
Defer. charges & other assets	4,458	6,267
Total Assets	$ 415,238	$ 370,603

Liabilities
(000's)

	1984	1983
Accts. payable	$ 33,156	$ 20,796
Accruals	59,660	80,029
Income taxes	5,359	14,076
Curr. Liabilities	$ 98,175	$ 114,901
Long-term debt	13,855	7,909
Deferred items	17,254	9,460
+Common stock	29,687	29,315
Add. paid-in capital	59,838	56,126
Retained earnings	199,207	152,892
Def. employee benefit	(2,778)	—
Total Liabilities & Shareholders' Equity	$ 415,238	$ 370,603

# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	12.36	11.22
%Net Income to Sales	7.46	6.68
%Net Income to Equity	21.37	23.18
Working Capital	$198,397,000	$143,451,000
Current Ratio	3.02	2.25
Shareholders' Equity	$285,954,000	$238,333,000

Evans & Sutherland Computer Corporation

580 Arapeen Drive
P.O. Box 8700
Salt Lake City, Utah 84108
(801) 582-5847

Officers: David C. Evans, chairman of the board, president & chief executive officer; Rodney S. Rougelot, exec. v.p. & chief operating officer; Richard F. Leahy, v.p. & secretary-treasurer; Gary E. Meredith, James L. Conklin, Jack L. Halvorsen, Gary S. Watkins, Robert A. Schumacker, vice presidents; J. Robert Driggs, v.p. & chief financial officer.

Directors: David C. Evans, chairman; William S. Robertson, Ivan E. Sutherland, Peter O. Crisp, Rodney S. Rougelot, Stewart Carrell, Henry N. Christiansen.

Areas of Work: Designs, manufactures, markets and services special purpose digital computers and software systems used in various operations which are aided by or require visual presentation of a digital model stored in the computer memory. Applications include pilot training simulators, design engineering work stations, graphics art design work stations and scientific research.

Subsidiary:

Shape Data Ltd.
Cambridge, England

Develops, markets and services computer software products for use in geometric mechanical modeling and consulting services related to computer aided design.

Acquisition(s):

Unicad, Inc. (92% owned)

Engaged in the development of specialized software for computer aided design.

Transfer Agent(s):

Zions First National Bank, N.A.
One South Main Street
Salt Lake City, Utah 84111

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ESCC (NASDAQ)

Number of Employees:

1984	915	1981	625
1983	850	1980	520
1982	775		

Plant Footage:

1984	260,000 sq. ft.	1982	160,000
1983	260,000	1981	147,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 70,116,000	$ 7,309,000
1983	60,585,000	10,827,000
1982*	53,736,000	9,812,000
1981	46,439,000	9,440,000
1980	34,673,000	6,126,000

	No. of Com. Shares	Earn. per Share #
1984	1,769,350	$ 0.83
1983	1,760,220	1.21
1982*	1,755,915	1.10
1981	1,720,629	1.07
1980	1,658,296	0.76

* 53 weeks.
# Based on the weighted average number of common shares and common share equivalents outstanding fully diluted, adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-1
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 70,100,000	$ 39.62
1983	62,031,000	35.24
1982	49,525,000	28.20
1981	38,858,000	22.58
1980	28,902,000	17.43

# Based on the weighted average number of common shares and common share equivalents outstanding fully diluted, adjusted to reflect stock splits.

Income Account *

Year ended	12/28/84	12/30/83
Net sales	$ 70,116,171	$ 60,584,815
Cost of sales	38,431,051	28,226,494
Expenses	22,520,659	16,084,561
Interest income	(2,849,616)	(2,987,183)
Interest expense	239,613	237,548
Other expense	194,103	507,946
Minority interest	(14,393)	—
Income before taxes	$ 11,722,754	$ 18,515,449
Income taxes	4,413,636	7,688,674
Net Income	$ 7,309,118	$ 10,826,775

* Included in Costs and Expenses, Depreciation and Amortization: $3,698,494 in 1984 and $2,437,112 in 1983.

Assets

As of	12/28/84	12/30/83
Cash & temp. cash invest.	$ 28,485,660	$ 29,615,451
Receivables, net	26,550,857	19,144,638
Costs in exc. of billings	521,216	2,692,283
*Inventories	12,592,766	12,442,904
Prepaid expenses	4,949,627	4,377,015
Current Assets	$ 73,100,126	$ 68,272,291
Investments	4,360,268	4,190,493
#Fixed assets	19,768,938	18,314,214
Other assets	465,585	—
Total Assets	$ 97,694,917	$ 90,776,998

Liabilities

	12/28/84	12/30/83
Long-term debt, curr.	$ 1,313,088	$ 219,633
Accts. payable	2,478,169	1,612,448
Accruals	5,741,314	8,032,129
Billings in exc. of costs	2,071,900	6,463,550
Cust. deposits	1,490,258	1,316,547
Deferred Income taxes	9,931,174	7,365,540
Curr. Liabilities	$ 23,025,903	$ 25,009,847
Long-term debt	461,144	1,363,863
Deferred income taxes	4,036,231	2,372,274
Minority interest	71,844	—
+Common stock	1,769,350	1,760,220
Add. paid-in capital	19,856,988	19,106,455
Retained earnings	48,519,554	41,210,436
For. curr. trans. adjust.	(17,236)	(17,236)
Treasury stock	(28,861)	(28,861)
Total Liabilities & Shareholders' Equity	$ 97,694,917	$ 90,776,998

* Raw materials at lower of weighted average cost or market. Finished foods and work in progress stated at accum. mfg. costs, not in excess of market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

	12/28/84	12/30/83
%Income bef. Taxes to Sales	16.72	30.56
%Net Income to Sales	10.42	17.87
%Net Income to Equity	10.43	17.45
Sales to Inventories	5.57	4.87
Working Capital	$50,074,223	$43,262,444
Current Ratio	3.17	2.73
Shareholders' Equity	$70,099,795	$62,031,014

Ex-Cell-O Corporation

2855 Coolidge Road
Troy, Michigan 48084
(313) 637-1000

Officers: E. Paul Casey, chairman, president & chief exec. officer; Seymour S. Feuer, exec. v.p.; Derek Plummer, Otto Kern, E. Earl Fleck, v.p.'s; Walter B. Fisher, v.p. & controller; J. William Lenz, v.p.-human resources; Richard A. McWhirter, v.p.-development; Alan D. MacDonald, v.p., secretary & general counsel; Thomas J. Stuart, v.p. & treasurer; Terry W. Wilson, v.p.-communications; John G. Turner, Henry E. Gajewski, asst. v.p.'s; Jack A. Stone, asst. treasurer.

Directors: Paul R. Trigg, Jr.*, Coleman F. Hogan, Wendell W. Anderson, Jr., E. Paul Casey*, Theodore H. Mecke, Jr.*, Joseph D. Williams, Carlton M. Higbie, Jr.*, M. Colyer

Crum, Martin D. Walker, Edmund J. Whiting*, Edward J. Giblin*

* Member of the Executive Committee

Areas of Work: Major product lines of the company fall into five industry segments: Industrial Equipment-Manufactures cutting tools, a wide range of metal cutting and metal-forming machine tools and packaging and materials handling equipment. Automotive Components-Products include interior and exterior flexible urethane parts, heat transfer equipment and gaskets, small DC motors, armatures, and windshield washer systems. Aerospace-Products include precision blades and vanes, turbomachinery rotating components and fuel-metering devices. Ordnance-Products include turret and gun control systems, armored vehicles and related products. Specialty products include contractor tools, power transmission equipment, structural foam parts, computer-aided manufacturing controls and precision metal parts.

Divisions & Plants:

Packaging Systems Division
505 East Jefferson
Bluffton, Ohio 45817
(419) 358-6015
Pure-Pak machines.

Tool and Abrasive Operations
P.O. Box 89
Junction 38 and 67
Pendleton, Indiana 46064
(317) 778-2143
Honing abrasives.

Tool and Abrasive Operations
P.O. Box 248
Industrial Drive
Angola, Indiana 46703
(209) 665-9457
Electrolytic grinding wheels, honing abrasives.

Airfoil Division
P.O. Box 477
215 South Main Street
E. Windsor, Connecticut 06088
(203) 623-2411
Precision parts for aircraft, gas and steam turbines.

Tool and Abrasive Operations
850 Ladd Road
Walled Lake, Michigan 48088
(313) 624-7800
Carbide metals, inserts, standard and special tools, tool block assemblies.

Tool and Abrasive Operations
US 70 at Lytle Cove Road
Swannanoa, North Carolina 28778
(704) 686-5458
Gear cutting tools.

Fuel Systems Division
700 N. Centennial
Zeeland, Michigan 49464
(616) 772-9171
Fuel injection nozzles and spray bars for jet engines.

Airfoil Division
Court Place
Fostoria, Ohio 44830
(419) 435-6623
Aircraft turbine blades and vanes.

Fuel Systems Division
710-714 West Park Street
Harvard, Illinois 60033
(815) 943-5451
Jet engine fuel system components.

Fuel Systems Division
201 W. 8th Street
Holland, Michigan 49423
(616) 772-9171
Turbine parts: aircraft fuel nozzles, turbine nozzles, spray rings.

Airfoil Division
2500 South J Street
Elmwood, Indiana 46036
(317) 552-7301
Aircraft turbine blades and vanes.

Micromatic Operations
345 E. 48th Street
Holland, Michigan 49423
(616) 392-1461
Hot and cold chamber die casting machines, trim presses, injection molding machines, honing machines, superfinishing machines, structural foam machines.

Airfoil Division
750 Buckeye Road
P.O. Box 1085
Lima, Ohio 45802
(419) 228-3302
Blades and vanes for turbine engines, gas turbines, steam turbine components.

Airfoil Division
2287 Premier Row
P.O. Box 13588-A
Orlando, Florida 32809
(305) 859-0632
Aircraft turbine blades and vanes.

Packaging Systems Division
909 Tower Road
Mundelein, Illinois 60060
(312) 566-9400
"Pure-Pak" ® parts central distribution center.

Remex CAM Operation
1230 South Lewis Street
Anaheim, California 92805
(714) 535-4160
Punched tape readers, spoolers and perforators.

Packaging Systems Division
850 Ladd Road
Walled Lake, Michigan 48088
(313) 624-7800
Pure-Pak systems R & D, Pure-Pak Laboratory.

Tool and Abrasive Operations
Lake Street
P.O. Box 98
Topeka, Indiana 46571
(219) 593-2909
Carbide metals, inserts.

Cone Drive Operations
240 E. Twelfth Street
Traverse City, Michigan 49684
(616) 946-8410
Worm gear sets, speed reducers, gear motors.

Micro-Precision Operations
525 Berne Street
Berne, Indiana 46711
(219) 589-2136
Automatic assembly and gauging systems, thread and groove gauges, adjustable sine plates, EDM machines.

Colonial Tool Operations
1691 Walker Road
Windsor, Ontario, Canada
(519) 965-8680
Cutting tools, broaches, machine tool ways, gear and power transmission products.

Subsidiaries:

Ace Industries, Inc.
8839 S. Pioneer Blvd.
Santa Fe Springs, California 90670
(213) 723-4524
Turbomachinery components for small gas turbine engines; small auxiliary power units for aircraft and missile applications.

Accurate Bushing Company
443 North Avenue
Garwood, New Jersey 07027
(201) 789-1121
Drill jig bushings, railroad pins and bushings, drilling fixtures, precision parts, needle bearings, special bearings, cam rollers.

Atlantic Aerospace, Inc.
549 Cedar Street
Newington, Connecticut 06111
(203) 666-4601
Precision parts for aircraft, gas and steam turbines.

Bryant Grinder Corporation
257 Clinton Street
Springfield, Vermont 05156
(802) 885-5161
Internal grinders, external form grinders, external centerless grinders, center-hole grinders.

Cadillac Gage Company
25760 Groesbeck Highway
P.O. Box 1027
Warren, Michigan 48090
(313) 777-7100
Wheeled armored vehicles, turret control and stabilization systems.

Cadillac Gage Company
5963 Jaysville - St. John's Road
Greenville, Ohio 45331
(513) 548-3166
Turret control and stabilization systems.

Cadillac Gage Company
550 Cidco Road
Cocoa, Florida 32922
(305) 636-1791
Wheeled armored vehicles.

Ex-Cell-O Materials Handling Company
Johnson Parkway at Ames
St. Paul, Minnesota 55016
(612) 776-8501
Conveyors, materials handling equipment.

Forest City Tool Company
P.O. Box 788
Hickory, North Carolina 28601
(704) 322-4266
Industrial woodworking tools.

Ex-Cello-O Manufacturing Systems Co.
2136 Twelfth Street
Rockford, Illinois 61101
(815) 963-4881
Transfer machines, special machine tools, numerically controlled machining centers, manufacturing systems.

Greenlee Tool Co.
2330 23rd Ave.
Rockford, Illinois 61101
(815) 397-7070
Contractor tools: conduit and pipe benders, cable pullers, related equipment for electricians, plumbers and contractors.

Ex-Cell-O Corporation of Canada, Limited
P.O. Box 5535
120 Weston Street
London, Ontario, Canada N6A 4L5
(519) 438-2133
Precision boring machines, ram turret mills, special machines, transfer machines.

Ex-Cell-O Corporation (England) Limited
Hastings Road
P.O. Box 133
Leicester, LE5, OHT, England
Precision boring machines, internal grinders, special machines, transfer machines.

Ex-Cell-O GmbH
Salacher Strasse 93 — Postfach 1160
7332 Eislingen/Fils
West Germany
Precision boring machines, center lathes, gear honers, special machines, transfer machines, numerically controlled machining centers.

McCord Corporation
2850 West Grand Boulevard
Detroit, Michigan 48202
(313) 876-9700
Supplier of products to passenger car, truck and other vehicle manufacturers; to auto and truck replacement parts distributors.

McCord Gasket Corporation
2850 West Grand Boulevard
Detroit, Michigan 48202
Automotive engine gaskets for the original equipment market and the aftermarket.

191 Labadie Street
Wyandotte, Michigan 48192
(313) 284-3600

Sycamore and Potter
Wauseon, Ohio 43567
(419) 335-0015

Ex-Cell-O Corporation

McCord Heat Transfer Corporation
850 Ladd Road
Walled Lake, Michigan 48088
(313) 624-7800

Highway 18 West
P.O Box 348
Canton, South Dakota 57013
(605) 987-2701

500 West Harrison
Plymouth, Indiana 46563
(219) 936-3171

McCord Winn Inc.

Small DC motors and armatures, decorative plastics, fluid level sensors, instrument pointers, motor-driven devices, horn pad assemblies, windshield washer systems for the automotive industry.

620 Washington Street
Winchester, Massachusetts 01890
(617) 729-4400

815 Delman Drive
Cookeville, Tennessee 38501
(615) 526-6163

Raycon Corporation
77 Enterprise Drive
Ann Arbor, Michigan 48103
(313) 769-2614

Electrical discharge machine, non-contact gauging and inspection systems, laser machining systems.

Davidson Rubber Company Incorporated
Industrial Park
Dover, New Hampshire 03820
(603) 742-0720

Brady Road
Highway 280
Americus, Georgia 31709
(912) 924-6111

Route 11
Farmington, New Hampshire 03835
(603) 755-3521

2110 Charles C. Redfern Drive
P.O. Box 909
Athens, Tennessee 37303
(615) 745-8488

128 Peter Street
Port Hope, Ontario, Canada
(416) 885-6317

Manufactures and markets high technology urethane and other sophisticated plastic products for interior and exterior use on passenger cars and trucks.

Ex-Cell-O GmbH
Salacher Strasse 93
Postfach 1160
7332 Eislingen/Fils
West Germany

Precision boring machines, center lathes, gear honers, special machines, transfer machines, numerically controlled machining centers, manufacturing systems.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 W. Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: XLO

Number of Employees:

1984	15,100	1981	16,300
1983	13,850	1980	16,831
1982	14,100		

Plant Footage:

1984	6,523,388 sq. ft.	1981	7,125,000
1983	6,417,000	1980	7,078,000
1982	7,126,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 1,141,058	$ 56,872,000
1983	953,803,000	49,815,000
1982	1,027,123,000	48,202,000
1981	1,124,494,000	56,411,000
1980	1,020,677,000	49,992,000

	No. of Com. Shares #	Earn. per Share #
1984	14,183,000	$ 4.01
1983	14,182,000	3.51
1982	14,838,000	3.25
1981	15,318,000	3.68
1980	15,396,000	3.25

+ Includes operating revenue.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Industrial equip.	$ 214,523	$ 185,047
Automotive comp.	371,512	278,939
Aerospace	263,519	231,980
Ordnance	152,550	136,231
Other prod.	138,954	121,606
Total	$ 1,141,058	$ 953,803

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.60	—	—
1983	1.60	—	—
1982	1.57	—	—
1981	1.44	—	3-for-2
1980	1.32	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 457,664,000	$ 32.27
1983	427,335,000	30.13
1982	415,904,000	29.06
1981	409,563,000	27.08
1980	381,759,000	24.83

Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Nov. 30	1984	1983
Net sales & rev.	$ 1,141,058	$ 953,803
Other income	21,304	30,715
Total Income	$ 1,162,362	$ 984,518
Cost of sales	890,982	746,992
Expenses	165,474	145,281
Interest expense	5,329	5,244
Restructuring of operations	37,000	—
Income before taxes	$ 63,577	$ 87,001
Income taxes	6,705	37,186
Net Income	$ 56,872	$ 49,815

* Included in Costs and Expenses, Depreciation and Amortization: $30,007,000 in 1984 and $32,222,000 in 1983.

Assets

As of Nov. 30	1984	1983
Cash & marketable secur.	$ 82,490,000	$ 119,940,000
Accts. & notes receiv., net	158,803,000	123,618,000
Other assets	93,215,000	54,818,000
*Inventories	158,422,000	144,569,000
Current Assets	$ 492,930,000	$ 442,945,000
Investments	26,138,000	26,014,000
#Fixed assets & rental machines	197,985,000	175,891,000
Other assets	32,740,000	44,777,000
Total Assets	$ 749,793,000	$ 689,627,000

Liabilities

Notes payable & long-term debt, curr.	$ 7,098,000	$ 6,553,000
Accts. payable & accruals	169,930,000	123,872,000
Income taxes	10,571,000	10,883,000
Cust. deposits	35,016,000	31,924,000
Curr. Liabilities	$ 222,615,000	$ 173,232,000
Long-term debt	49,301,000	52,188,000
Deferred items	20,213,000	36,872,000
+ Common stock	46,091,000	46,091,000
Add. paid-in capital	58,460,000	57,648,000
Retained earnings	398,412,000	364,237,000
For. curr. trans.	(17,331,000)	(12,423,000)
Treasury stock	(27,968,000)	(28,218,000)
Total Liabilities & Shareholders' Equity	$ 749,793,000	$ 689,627,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $3 par value.

Statistical Summary

%Income bef. Taxes to Sales & Rev.	5.57	9.12
%Net Income to Sales & Revenue	4.98	5.22
%Net Income to Equity	12.43	11.66
Working Capital	$270,315,000	$269,713,000
Current Ratio	2.21	2.56
Shareholders' Equity	$457,664,000	$427,335,000

Extek Microsystems, Inc.

6955 Hayvenhurst Avenue
Van Nuys, California 91406
(213) 989-2630

Officers: Donald J. Farmer, president & treasurer; George M. Barr, v.p.-marketing & asst. secretary; Bernard Shearer, secretary.

Directors: Donald J. Farmer, Bernard Shearer, Robert H. Webster.

Areas of Work: Designs, manufactures, sells and leases microfilm duplication products, and distributes microfilm equipment and film.

Transfer Agent(s):

City National Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income #
1984	$ 2,489,053	$ 104,889
1983	2,251,198	104,199
1982	1,726,037	82,096
1981	1,406,263	43,430
1980	1,267,936	147,594

	No. of Com. Shares	Earn. per Share + #
1984	148,460	$ 0.50
1983	148,460	0.50
1982	156,970	0.36
1981	170,269	0.17
1980	189,981	0.57

Including extraordinary gain of $16,245 ($0.06 per share) in 1980.
+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity ‡‡	Equity Per Share
1984	$ 1,201,363	$ 8.09
1983	1,098,874	7.40

1982	1,019,100	6.49
1981	987,641	5.80
1980	991,733	5.22

‡‡ After allowing for preferred stock at par value of $100 per share.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 2,489,053	$ 2,251,198
Other income	22,867	33,105
Total Income	$ 2,511,920	$ 2,284,303
Cost of sales	1,440,862	1,311,993
Expenses	747,839	654,120
Research & develop.	186,040	178,691
Income before taxes	$ 137,179	$ 139,499
Income taxes	32,290	35,300
Net Income	$ 104,889	$ 104,199

* Included in Costs and Expenses, Depreciation and Amortization: $66,857 in 1984 and $59,101 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 191,059	$ 177,513
Receiv., net	549,776	542,104
*Inventories	597,730	443,548
Prepaid expenses & other assets	73,255	36,503
Current Assets	$ 1,411,820	$ 1,199,668
#Fixed assets	163,950	143,514
Other assets	61,027	59,834
Total Assets	$ 1,636,797	$ 1,403,016

Liabilities

	1984	1983
Accts. payable & accruals	$ 106,111	$ 192,925
Accrued payroll	38,295	32,656
Income taxes	22,275	21,929
Long-term debt, curr. portion	40,000	10,289
Customer deposits	44,753	—
Curr. Liabilities	$ 251,434	$ 257,799
Long-term debt	150,000	12,343
+ Preferred stock	34,000	34,000
+ + Common stock	10,061	10,061
Add. paid-in capital	3,052,989	3,052,989
Deficit	(1,734,527)	(1,837,016)
Treasury stock	(127,160)	(127,160)
Total Liabilities & Shareholders' Equity	$ 1,636,797	$ 1,403,016

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; 8% cumulative convertible.
+ + $0.05 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	5.51	6.20
%Net Income to Sales	4.21	4.63
%Net Income to Equity	8.49	9.20
Sales to Inventories	4.16	5.08
Working Capital	$1,160,386	$941,869
Current Ratio	5.62	4.65
Shareholders' Equity	$1,235,363	$1,132,874

Exxon Corporation

1251 Avenue of the Americas
New York, New York 10020-1198
(212) 333-6900

Officers: C.C. Garvin, Jr., chairman of the board & chief executive officer; H.C. Kauffmann, president; J.F Bennett, J.G. Clarke, D.M. Cox, M.E.J. O'Loughlin, L.G. Rawl, L.R. Raymond, senior vice presidents; R.H. Beresford, v.p.-petroleum products; R.J. Kruizenga, v.p.-corporate planning; G.B. McCullough, v.p.-employee relations; C.M. Harrison, v.p.-producing; F.M. Perkins, v.p.-gas; D.E. Smiley, v.p.-Washington office; W.B. Nobles, v.p.-communications and computer sciences; Stephen Stamas, v.p.-public affairs; Richard E. Faggioli, v.p. & secretary; E.A. Robinson, v.p. & treasurer; R.S. Lombard, v.p. & general counsel; A.L. Monroe, v.p. & controller; R.A. Schroder, v.p. & general tax counsel; T.J. McDonagh, v.p.-medicine & environment health; R.N. Dolph, E.C. Holmer, W.D. Kruger, Randall Meyer, R.A. Winslow, R.M. Ingram, vice presidents.

Directors: C.C. Garvin, Jr., chairman; William A. Andres, J.F. Bennett, Randolph W. Bromery, J.G. Clarke, D.M. Cox, Jess Hay, William R. Howell, H.C. Kauffmann, Donald S. MacNaughton, M.E.J. O'Loughlin, Martha Peterson, Bert Phillips, L.G. Rawl, Harold A. Shaub, Otto Wolff von Amerongen, L.R. Raymond, Hector Laing.

Areas of Work: Through its subsidiary, Exxon Enterprises, the Company is involved in the manufacture, design and marketing of word processing systems.

Electronics Subsidiary:

Exxon Office Systems Company
777 Long Ridge Road
Stamford, Connecticut 06923

Electronics Affiliate:

Reliance Electric Company
Manufactures, markets & services a broad line of industrial equipment.

Transfer Agent(s):

Bank of America, N.T. & S.A.
201 Mission St.
San Francisco, California 94105

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10007-2193

First National Bank of Boston
50 Morrissey Boulevard
Dorchester, Massachusetts 02125

First City National Bank of Houston
1301 Fannin
Houston, Texas 77002

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Boston, Cincinnati, Midwest, Philadelphia, Pacific.

Ticker Symbol: XON

Number of Employees:

1984	N.A.	1981	180,000
1983	156,000	1980	177,000
1982	173,000		

N.A.-Not Available

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 95,873,000	$ 5,528,000
1983	93,447,000	4,978,000
1982	102,059,000	4,186,000
1981	113,220,000	4,826,000
1980	108,412,000	5,350,000

	No. of Com. Shares #	Earn. per Share #
1984	816,169,000	$ 6.77
1983	861,399,000	5.78
1982	867,959,000	4.82
1981	864,926,000	5.58
1980	869,943,000	6.15

Based on the weighted average number of common shares outstanding adjusted to reflect two-for-one stock split issued May 1981.

Revenues By Line of Business
(000's)

	1984	1983
Petroleum and Natural Gas	$ 85,415,000	$ 83,622,000
Coal Mining & Develop	327,000	272,000
Chemicals	6,870,000	6,392,000
Reliance Electric	1,538,000	1,397,000
Minerals Mining & Develop.	97,000	115,000
Other	1,626,000	1,649,000
Total	$ 95,873,000	$ 93,447,000

Fairchild Industries, Inc.

Washington Dulles International Airport
300 West Service Road
P.O. Box 10803
Chantilly, Virginia 22021
(703) 478-5800

Officers: Edward G. Uhl, chairman of the board, president and chief executive officer; Emanuel Fthenakis, George S. Attridge, exec. v.p.'s.; Phillip Schneider, Charles B. Husick, senior v.p.'s; James R. Wilson, sr. v.p. & chief financial officer; Richard G. Orr, John E. Heany, Hal W. Howes, John J. McDonnell, Robert J. Sanator, John W. Townsend, Jr., Gordon A. Smith, Thomas Turner, v.p.'s; John D. Jackson, secretary; William H. Buckland, treasurer; Larry F. Meyers, controller.

Directors: Edward G. Uhl*, chairman; Jerold C. Hoffberger*, Mortimer M. Caplin*, Charles A. Kuper, William T. Marx, Thomas H. Moorer*, William V. Platt, Robert V. Hansberger, George S. Attridge, Emanuel Fthenakis, R. James Woolsey.

*Member of the Executive Committee.

Areas of Work: Manufacturers and markets military aircraft, major airframe subassemblies, executive and commuter aircraft, airline seating, aerospace fluid systems and environmental controls, military avionics, spacecraft and space subsystems, aerospace fasteners, tooling for plastics, security management and access control systems, bladder accumulators, power transmission and pneumatic controls, computer enclosures, metal stamping, doorknobs, distribution of bathroom accessories and security hardware, telecommunications earth stations, and domestic satellite communications services.

Divisions:

Communications, Electronics & Space Group:

Fairchild Republic Company
Farmingdale, New York 11735
(516) 531-0105
Hagerstown, Maryland 21740
(301) 824-9500

Fairchild Precision Fabrication Center
Columbus, Georgia 31908
(404) 568-4463

Fairchild Industrial Products Company
1501 Fairchild Drive
Winston-Salem, North Carolina 27105
(919) 767-6010

Fairchild Communications & Electronics Company
Sherman Fairchild Technology Center
Century Boulevard
Germantown, Maryland 20874
(301) 428-6000

Fairchild Control Systems Company
1800 Rosecrans Avenue
Manhattan Beach, California 92066
(213) 675-9111

Fairchild Burns Company
1455 Fairchild Road
Winston-Salem, North Carolina 27105
(919) 767-6010

Fairchild Industries, Inc.

Fairchild Communications Products Company
Frederick, Maryland

Fairchild Communications Networks and Services Co
Washington Dulles International Airport
Chantilly, Virginia

Green Hydraulics
City of Commerce, California

Harco
El Segundo, California

VOI-SHAN/Screcorp
Culver City, California

Cardkey Systems Division
Chatsworth, California

Natter Manufacturing
Temple City, California

Pheoll of Minnesota
Minneapolis, Minnesota

Short Run Stamping Co
El Monte, California

Tubing Seal Cap Co
Azusa, California

D-M-E Company
Madison Heights, Michigan

Subsidiaries:

Fairchild Space Company
Germantown, Maryland 20874
(301) 428-6000

Fairchild Aircraft Corporation
P.O. Box 32486
San Antonio, Texas 78284
(512) 824-9421
Crestview, Florida 32536
(904) 682-2746

VSI Hardware Products Division
Stanton, California 90680
(714) 891-8400

Joint Ventures:

Saab-Fairchild
Linkoping, Sweden
Farmingdale, New York

American Satellite Company
1801 Research Boulevard
Rockville, Maryland 20850
(301) 251-8300

Space Communications Company
1300 Quince Orchard Boulevard
Gaithersburg, Maryland 20878
(301) 258-6800

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: FEN

Number of Employees:

1984	12,726	1981	18,640
1983	11,949	1980	18,700
1982	13,305		

Sales and Earnings

	Net Sales	Net Income
1984	$ 898,852,000	$ 1,382,000
1983	891,592,000	28,405,000
1982	1,093,261,000	35,280,000
1981	1,338,905,000	64,318,000
1980	906,230,000	54,531,000

	No. of Com. Shares †	Earn. per Share #‡
1984	13,505,289	$ —
1983	13,423,009	1.16
1982	13,102,436	1.71
1981	13,027,537	3.48
1980	12,877,325	4.02

Based on the average number of shares outstanding adjusted to reflect stock split.
† Adjusted to reflect stock split.
‡ Adjusted to reflect the conversion of redeemable preferred stock.

Revenues By Line of Business
(000's)

	1984	1983
Gov't aerospace	$ 245,840	$ 330,913
Commercial aerospace	172,901	157,194
Aerospace fasteners	101,998	90,514
Tooling for plastics	101,445	88,508
Communications, electronics & space	103,242	71,720
General industry	177,340	156,075
Intersegment sales	(3,914)	(3,332)
Total	$ 898,852	$ 891,592

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.80	—	—
1983	0.80	—	—
1982	0.80	—	—
1981	0.80	—	—
1980	0.69	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 222,999,000	$ 16.51
1983	245,306,000	18.28
1982	237,359,000	18.12
1981	227,319,000	17.45
1980	188,926,000	14.67

† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 898,852	$ 891,592
Other income	11,936	4,196
Total Income	$ 910,788	$ 895,788
Cost of sales	725,028	675,162
Expenses	177,136	163,828
Interest expense	17,982	16,325
Income (loss) before taxes	$ (9,358)	$ 40,473
Income taxes (credit)	(10,740)	12,068
Net Income	$ 1,382	$ 28,405

* Included in Costs and Expenses, Depreciation and Amortization: $26,763,000 in 1984 and $26,843,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 11,026	$ 86,134
Accts. & notes receiv., net	123,656	109,954
Note receivable	70,218	—
*Inventories	378,856	354,895
Prepaid expenses	3,234	2,512
Current Assets	$ 586,990	$ 553,495
Notes receivable	—	70,290
Investments	95,899	84,057
#Fixed assets	152,352	154,117
Intangibles	88,345	81,816
Other assets	5,301	4,637
Total Assets	$ 928,887	$ 948,412

Liabilities
(000's)

Long-term debt, curr.	$ 76,846	$ 9,862
Notes payable	6,283	12,741
Accts. payable	88,192	67,749
Accruals	103,281	114,590
Advances	12,106	7,518
Income taxes	28,191	117,700
Curr. Liabilities	$ 314,899	$ 330,160
Long-term debt	186,187	161,241
Deferred income taxes	50,180	50,545
+ Redeemable pref. stock	154,622	161,160
+ + Common stock	17,423	17,341
Add. paid-in capital	43,357	41,273
Retained earnings	172,068	193,925
Cumulative translation adjustment	(9,847)	(7,179)
Treasury stock	(2)	(54)
Total Liabilities & Shareholders' Equity	$ 928,887	$ 948,412

* At lower of cost or estimated realizable value.
# Less accumulated depreciation and amortization.
+ No par value; $3.60 cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.54
%Net Income to Sales	0.15	3.19
%Net Income to Equity	0.62	11.58
Sales to Inventories	2.37	2.51
Working Capital	$272,091,000	$223,335,000
Current Ratio	1.86	1.68
Shareholders' Equity	$222,999,000	$245,306,000

Fansteel Inc.

(96% owned by H.K. Porter Company)

Number One Tantalum Place
North Chicago, Illinois 60064
(312) 689-4900

Officers: K.R. Garrity, chairman of the board & chief exec. officer; A.W. Dana, president & chief operating officer; C.L. Brown, v.p.-Metals; A.F. Busto, v.p.-Advanced Structures; J.G. Duggan, v.p. & general counsel; J.H. Fraser, secretary; J.B. Lambert, v.p. & technical director; S.W. Lindroth, v.p. & chief financial officer; R.W. McGinnis, v.p., director of corporate planning & operations analysis; A.J. Wagner, v.p.-VR/Wesson Division J.A. Fries, treasurer.

Directors: Thomas M. Evans, Richard B. Ogilvie, Robert M. Drevs, Keith R. Garrity, C.J. Queenan, Jr., A. W. Dana, B. B. Evans, C.V. Emory, J.S. Petrik.

Areas of Work: Manufactures refractory metals and fabricates high technology products for the automotive, appliance, metal working, mining, aerospace, recreational, electronic and chemical industries. Produces tantalum metal sheets, wire, foil, and powder. Other products lines include tungsten carbide cutting tools, refractory metal mill products, aerospace and aircraft engine components, chemical equipment, electronic materials, commercial castings and electrical contracts.

Divisions:

Electronic Products Division
Number One Tantalum Place
North Chicago, Illinois 60064
(312) 689-4900

Manufactures tungsten, molybdenum, silver, and platinum-palladium electrical contacts and tungsten powder, rod and discs.

VR/Wesson Division
389 Marion Avenue
Plantsville, Connecticut 06479

800 Market Street
Waukegan, Illinois 60085

Lisle Road
Lexington, Kentucky 40505

Hydro Carbide
P.O. Box 363
Latrobe, Pennsylvania 15650

Hydro Carbide
P.O. Box 2368
Gulfport, Mississippi 39503

VR/Wesson Industrial Supply Dbl. sp.
500 Industrial Drive
Beckley, Virginia 25801

Metals Division

Tantalum, columbium and other special metals; electronic-grade tantalum powder and wire; chemical processing equipment.

Number One Tantalum Place
Muskogee, Oklahoma 74401

415 Skokie Road
Lake Buff, Illinois 60044

Advanced Structures Division

Products and services include special material structures and fabrications primarily for aerospace/aircraft and liquid processing applications; and commercial castings.

Advance Casting
810 Lawrence Drive
Newbury Park, California 91320

California Drop Forge
1033 Alhambra Avenue
Los Angeles, California 90012
(213) 221-1134

Precision Sheet Metal
5235 W. 104th Street
Los Angeles, California 90045
(213) 670-1030

Pasco Gear & Machine, Inc.
2412 W. Durango
Phoenix, Arizona 85005

Interturbine Fansteel b.v.
Industrieterrein Spikweien
Spiktweg 13-15943 Lomm
The Netherlands.

Transfer Agent(s):

Morgan Guaranty Trust Company
of New York
23 Wall Street
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FNL

Number of Employees:

1984	N.A.	1981	2,446
1983	1,886	1980	2,440
1982	1,856		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 180,450,015	$ 11,155,336
1983	153,779,111	8,357,564
1982	176,852,028	8,413,828
1981	226,745,090	12,576,435
1980	250,797,970	15,063,648

	No. of Com. Shares†	Earn. per Share†
1984	8,598,858	$ 1.30
1983	8,599,102	0.97
1982	8,607,714	0.98
1981	8,622,504	1.46
1980	8,637,240	1.74

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Metal Producers	$ 73,238,568	$ 64,474,592
Industrial Tools	56,504,643	39,963,533
Metal Fabrications	50,706,804	49,340,986
Total	$ 180,450,015	$ 153,779,111

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.60	—	—
1983	0.42	—	3-for-1 & 2-for-1
1982	0.52	—	—
1981	0.70	—	—
1980	0.82	—	—

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 77,916,807	$ 9.06
1983	72,088,455	8.38
1982	67,502,897	7.85
1981	63,670,671	7.39
1980	57,250,603	6.63

† Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 180,450,015	$ 153,779,111
Cost of sales	136,487,254	119,025,667
Expenses	22,183,564	18,855,443
Research & develop.	2,283,599	1,906,636
Interest expense	73,844	36,074
Other income	(1,220,582)	(1,949,273)
Income before taxes	$ 20,642,336	$ 15,904,564
Income taxes	9,487,000	7,547,000
Net Income	$ 11,155,336	$ 8,357,564

* Included in Costs and Expenses, Depreciation: $6,561,665 in 1984 and $5,651,788 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 17,158,438	$ 39,449,940
Accts. receiv., net	21,951,678	20,760,487
*Inventories	29,235,537	20,354,682
Prepaid expenses	633,088	508,469
Current Assets	$ 68,978,741	$ 81,073,578
#Fixed assets	28,849,832	22,235,768
Other assets	345,372	109,633
Total Assets	$ 98,173,945	$ 103,418,979

Liabilities

Long-term debt, curr.	$ —	$ 15,000,000
Long-term debt, curr.	153,338	—
Accts. payable	7,865,879	5,533,677
Accruals	10,060,353	9,703,621
Income taxes	728,770	1,093,226
Curr. Liabilities	$ 18,808,340	$ 31,330,524
Long-term debt	1,448,798	—
+ Common stock	21,497,145	21,497,145
Retained earnings	56,676,621	50,680,600
For. curr. trans.	(256,959)	(89,290)
Total Liabilities & Shareholders' Equity	$ 98,173,945	$ 103,418,979

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.43	10.34
%Net Income to Sales	6.18	5.43
%Net Income to Equity	14.31	11.59
Sales to Inventories	6.17	7.[illegible]
Working Capital	$50,170,401	$49,743,054
Current Ratio	3.66	2.59
Shareholders' Equity	$77,916,807	$72,088,455

Federated Purchaser, Inc.

50 Lafayette Place
Kenilworth, New Jersey 07033
(201) 272-0505

825 Union Blvd.
Allentown, Pennsylvania 18103
(215) 437-4481

Officers: Harry J. Fallon, president; Anthony D. Carbone, vice president-administration & secretary; Steven J. Jordan, vice president-industrial marketing; Jane A. Christy, v.p.-operations.

Directors: Arthur C. Kammerman, chairman; Edmond L. Hoener, Harry J. Fallon, John Rudder, Ed. A. Cantor.

Areas of Work: Engaged in the marketing of electronic parts, components and equipment to industrial and retail customers. To its industrial customers the company sells a broad range of products including semi conductors, wire, transformers, relay systems, capacitors and electronic tubes. The principal products marketed by the company to retail customers are home entertainment equipment including stereo systems, tape recorders, speakers, radios and related accessories. The company markets its retail products through two stores located in Kenilworth, New Jersey and Allentown, Pennsylvania. Industrial products are marketed directly by Federated's sales personnel from both locations and in the field.

Transfer Agent(s):

The National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: EFDP (NASDAQ)

Number of Employees:

1984	31	1981	33
1983	31	1980	33
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,305,216	$ 281,654
1983	6,318,917	229,286
1982	6,128,054	199,768
1981	6,222,441	257,407
1980	6,277,706	265,513

	No. of Com. Shares +	Earn. per Share +
1984	1,372,725	$ 0.21
1983	1,367,941	0.17
1982	1,370,529	0.15
1981	1,349,359	0.19
1980	1,347,564	0.20

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Federated Purchaser, Inc.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.08	—	—
1983	0.07	—	—
1982	0.06	—	—
1981	0.06	—	5-for-4
1980	0.03	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 2,227,764	$ 1.62
1983	2,063,695	1.51
1982	1,930,043	1.41
1981	1,796,304	1.33
1980	1,603,337	1.19

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended October 31	1984	1983
Net sales	$ 7,305,216	$ 6,318,917
Cost of sales	5,460,553	4,763,881
Expenses	1,374,785	1,192,665
Depreciation	23,358	15,303
Other income	(91,034)	(80,718)
Income before taxes	$ 537,554	$ 427,786
Income taxes	255,900	198,500
Net Income	$ 281,654	$ 229,286

Assets

As of October 31	1984	1983
Cash	$ 51,898	$ 158,642
Cert. of deposit	990,550	850,000
Accts. receiv., net	831,007	721,248
*Inventories	787,981	667,014
Prepaid expenses	40,312	29,571
Current Assets	$ 2,701,748	$ 2,426,475
#Fixed assets	66,824	75,221
Other assets	10,900	10,900
Total Assets	$ 2,779,472	$ 2,512,596

Liabilities

Accts. payable	$ 338,355	$ 266,545
Accruals	147,670	150,100
Income taxes	52,083	24,356
Curr. Liabilities	$ 538,108	$ 441,001
Deferred income taxes	13,600	7,900
+ Common stock	137,297	137,297
Add. paid-in capital	1,687,212	1,687,212
Retained earnings	416,149	244,271
Treasury stock	(12,894)	(5,085)
Total Liablities & Shareholders' Equity	$ 2,779,472	$ 2,512,596

* At lower of cost (FIFO) or market.
# Less accumulated depreciaton.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.36	6.77
%Net Income to Sales	3.86	3.63
%Net Income to Equity	12.64	11.11
Sales to Inventories	9.27	9.47
Working Capital	$2,163,640	$1,985,474
Current Ratio	5.02	5.50
Shareholders' Equity	$2,227,764	$2,063,695

Ferronics Incorporated

60 North Lincoln Road
East Rochester, New York 14445
(716) 586-2380

Officers: Roger Woodward, president, chairman of the board & treasurer; John Stettinius, v.p.-research and development; Mark Northrup, v.p.; Michael C. Dwyer, secretary; Frank Shepard, controller & asst. treasurer.

Directors: Frank A. Steinhilper, Jan B. Kennedy, Roger Woodward, Richard Alliegro.

Areas of Work: Engaged in the manufacture of ceramic magnetic materials known as ferrites and in the shaping of these materials into devices used in electronic circuitry. Also manufactures transducers for rotating memory devices.

Divisions:

Manufacturing Division
52 N. Main Street

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	80	1981	50
1983	80	1980	50
1982	80		

Plant Footage:

1984	40,000 sq. ft.	1981	28,000
1983	40,000	1980	28,000
1982	40,000		

Sales and Earnings

	Revenues †	Net Income +
1984	$ 1,913,000	$ (352,000)
1983	1,516,000	101,000
1982	1,316,000	14,000
1981	1,526,000	34,000
1980	1,141,000	90,000

	No. of Com. Shares	Earn. per Share +
1984	1,788,508	$ —
1983	1,733,508	0.06
1982	1,685,780	0.01
1981	1,685,780	0.02
1980	1,685,780	0.05

(Loss)
† Of continuing operations only.
+ Including extraordinary gains of $22,000 (0.01 per share) in 1983 and $16,000 ($0.01 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 203,000	$ 0.11
1983	500,000	0.29
1982	356,000	0.21
1981	342,000	0.20
1980	308,000	0.18

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 1,913,454	$ 1,500,701
Other income	—	15,656
Total income	$ 1,913,454	$ 1,516,357
Cost of sales	1,224,558	774,293
Expenses	434,310	409,631
Interest expense	70,715	56,614
Income before taxes	$ 183,871	$ 275,819
Income taxes	78,000	103,000
Inc.-cont. oper.	$ 105,871	$ 172,819
Loss-discont. oper.	(457,386)	(93,418)
Net Income (Loss)	$ (351,515)	$ 79,401
Extraord. item	—	22,000
Net Income (Loss) & extraord. item	$ (351,515)	$ 101,401

* Included in Costs and Expenses, Depreciation and Amortization: $101,129 in 1984 and $116,010 in 1983.

Assets

	1984	1983
Cash	$ 3,388	$ 4,612
Accts. receiv., net	351,316	591,299
Accounts receivable	100	13,000
*Inventories	334,241	352,930
Prepaid expenses	18,265	11,881
Assets of discont. oper.	45,950	—
Current Assets	$ 753,260	$ 973,722
#Fixed assets	301,213	409,662
Other assets	8,023	6,883
Total Assets	$ 1,062,496	$ 1,390,267

Liabilities

Long-term debt, curr.	$ 30,000	$ 38,604
Cap. lease oblig., curr.	36,093	20,137
Accts. payable	215,875	156,239
Accruals	141,545	160,397
Curr. Liabilities	$ 423,513	$ 375,377
Long-term debt	382,980	469,444
Cap. lease oblig.	53,045	45,973
+ Common stock	178,851	173,351
Add. paid-in capital	763,971	714,471
Retained earnings (deficit)	(739,864)	(388,349)
Total Liabilities & Shareholders' Equity	$ 1,062,496	$ 1,390,267

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	5.72	15.90
Sales to Inventories	—	4.25
Working Capital	$329,747	$598,345
Current Ratio	1.78	2.33
Shareholders' Equity	$202,958	$499,473

Fifth Dimension Inc.

801 New York Avenue
Trenton, New Jersey 08638
(609) 393-8350

Officers: Sheldon Bitko, vice president-research & development; William D. Kinney, vice president-components; Alfred R. Senni, vice president-military systems; Elaine H. Cain, secretary & treasurer.

Directors: Frederick J. Grunwald, Charles Wohlstetter, Charles Davidoff, Frederick C. Scherer, Lee R. Marks.

Areas of Work: The Company's business falls into two broad groups: manufacture of telemetry equipment and of components. The principal products of the telemetry group include electronic and electromechanical signal commutators sometimes coupled with analog to digital converters. The primary market for this type of equipment is the defense and the aerospace industries; secondary markets are the Atomic Energy Commission and other private industries. The principal products of the components group include a family of mercury film switches and relays (sold under the name LOGCELL, or more specifically LC1, LC2 and LC3). These products are sold mostly to industrial users. Also manufactures tilt switches for military and industrial applications and slip rings used by the military and aerospace manufacturers.

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	N.A.	1982	43
1983	50		

Plant Footage:

1984	N.A.	1982	18,000
1983	18,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income †
1984	$ 2,686,616	$ 157,665
1983	1,658,712	153,386
1982	1,361,266	(87,878)
1981#	1,715,966	147,687
1980	1,174,084	3,905

	No. of Com. Shares †	Earn. per Share ‡†
1984	729,122	$ 0.22
1983	692,315	0.22
1982	654,495	—
1981#	654,120	0.23
1980	635,495	0.01

(Loss)

Restated to reflect changes in amounts billed against a government contract.

† Including extraordinary gains of $42,582 ($0.06 per share) in 1983 and $43,595 ($0.07 per share) in 1981.

‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 632,075	$ 0.87
1983	474,410	0.69
1982	173,803	0.27
1981‡	258,903	0.40
1980	111,216	0.18

‡ Restated.

† Based on the weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 2,686,616	$ 1,658,712
Cost of sales	1,940,737	1,052,503
Expenses	495,271	448,550
Other income	(11,039)	(12,802)
Income before taxes	$ 261,647	$ 170,461
Income taxes	103,982	59,657
Net Income	$ 157,665	$ 110,804
Extraord. gain	—	42,582
Net Income & extraord. gain	$ 157,665	$ 153,386

* Included in Costs and Expenses, Depreciation and Amortization: $53,288 in 1984 and $35,426 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 184,180	$ 49,345
Accts. receiv., net	305,011	328,289
*Inventories	494,696	328,816
Prepaid expenses	25,852	20,155
Current Assets	$ 1,009,739	$ 726,605
#Fixed assets	558,081	550,237
Total Assets	$ 1,567,820	$ 1,276,842

Liabilities

Notes payable	$ 68,952	$ 58,038
Accts. payable	195,992	160,308
Accrued compens. & vac.	108,666	61,119
Accrued commissions & other	23,072	19,428
State income taxes	—	15,541
Curr. Liabilities	$ 396,682	$ 314,434
Notes payable	435,313	487,998
Deferred income taxes	103,750	—
+Common stock	364,936	364,936
Add. paid-in capital	403,663	403,663
Deficit	(136,196)	(293,861)
Treasury Stock	(328)	(328)
Total Liabilities & Shareholders' Equity	$ 1,567,820	$ 1,276,842

* At lower of cost (FIFO) or market.

Less accumulated depreciation and amortization.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.74	10.28
%Net Income to Sales	5.87	6.68
%Net Income to Equity	24.94	23.36
Sales to Inventories	5.43	5.04
Working Capital	$613,057	$412,171
Current Ratio	2.55	2.31
Shareholders' Equity	$632,075	$474,410

Figgie International Inc.

4420 Sherwin Road
Willoughby, Ohio 44094
(216) 946-9000

Officers: Harry E. Figgie, Jr., chairman of the board and chief executive officer; William G. Gilmore, sr. v.p.; James S. Anderson, vice president-industrial relations; John M. Fitzpatrick, v.p.-govt. relations; Gary O. Haglund, group vice president; L.A. Harthun, sr. v.p.-international, general counsel & secretary; Charles B. Miner, v.p.; Joseph J. Skadra, Charles C. Rieger, Jr., John W. Partridge, group v.p.'s.

Directors: Harry E. Figgie, Jr., Dale S. Coenen, Ewing T. Boles, F.S. Cornell, Alfred V. Gangnes, Paul F. Hellmuth, Gerald K. Rugger, Walter M. Vannoy, Russell W. McFall, Harrison Nesbit, II, Hans Ulrich Rinderknecht, Raymond E. Rossman, Harold B. Scott, Robert A. Weaver, Jr., John N. Dalton.

Areas of Work: Comprised of over 35 principal divisions and subsidiaries, the Company's business can be grouped into five areas: consumer and recreation products; fire protection/safety; technical products; machinery & products; and services.

Divisions and Subsidiaries:

Technical Group

Interstate Electronics
1001 East Ball Road
Anaheim, Caifornia 92803
(714) 758-0500

Voice data entry computer terminals; Plasma display terminals; Function and pulse generators; Military command and control display systems; Signal processing systems; Off shore oil platform data systems; Environmental surveys and services; Instrumentation and missile tracking systems.

Hartman Electrical Manufacturing
175 North Diamond Street
Mansfield, Ohio 44902
(419) 524-1411

Electrical power switching and solid state controls. Contractors, relays and protective devices.

Hartman Systems
360 Wolf Hill Road
Huntington Station, L.I., New York 11746
(516) 427-7500

Fully integrated electronic systems and products for government and industry; Military display systems; Command and control systems, Telecommunication systems; Telephone management system.

Interstate Voice Productions
1849 W. Sequoia Avenue
Orange, California 92668
(714) 937-9010

RES/Rusco Electronic Systems
1840 Victory Boulevard
Glendale, California 91201
(213) 240-2540

Electronic Cardentry access controls, copy machine and fuel-control monitoring systems; time and attendance data collection, labor-distribution and food-service and parking control systems; bank and identification cards.

Consumer Group

Figgie Licensing Division
2300 Delmar Boulevard
St. Louis, Missouri 63103
(314) 241-2900 Ext. 305

Trademark licensing.

Rawlings Sporting Goods
2300 Delmar Boulevard
St. Louis, Missouri 53103
(314) 241-2900

Full line of sports equipment for baseball, football, basketball, soccer, boxing, badminton, golf, hockey, tennis and wrestling. Uniforms, jackets and shoes.

Interstate Engineering
522 East Vermont Avenue
Anaheim, California 92805
(714) 778-5700

Residential smoke detectors and fire alarms, compact home vacuum cleaners. Wireless IEC Security System; aluminum and zinc die castings.

Fred Perry Sportswear (U.K.) Ltd.
Bridport Road
London N 18, 1SN England
01-807-1010

Rawlings Golf
400 Toney Penna Drive
Jupiter, Florida 33458
(305) 746-5146

Golf clubs under the Toney Penna, Rawlings, Omega and Lee Trevino brand names; Toney Penna DB, Omega and Lee Trevino golf balls, Parker golf gloves.

Thermometer Corporation of America
567 East Pleasant Street
Springfield, Ohio 45505
(513) 325-0456

Thermometers, hydrometers, humidity and weather instruments, Tru-Temp thermometers and cooking instruments.

Sherwood-Drolet Corp. Ltd.
2745 Sherwood Boulevard
Sherbrooke, Quebec J1K 1E1
(819) 563-2202

Designs and markets hockey sticks.

Industrial Group/Fire Protection and Safety

Advance Security
3330 Peachtree Road
Atlanta, Georgia 30326
(4049 231-1210

Security consultation, uniformed security guards. fire, safety, security systems and equipment, industrial and business investigative service, large area protection.

American LaFrance
1051 South Main
Elmira, New York 14902
(607) 734-8181

Custom fire engines, including pumpers, ladder trucks and aerial platforms, fire extinguishers, fire hose and brass goods.

"Automatic" Sprinkler Corp. of America
P.O. Box 180
Cleveland, Ohio 44147
(216) 526-7900

Figgie International Inc.

Sprinkler systems; control valves; sprinkler heads; spray nozzles; "Rate-of-Rise" and electric detection systems; electric control panels; alarms; hydraulically calculated and special hazards fire protection systems. Fabrication, inspection and maintenance services; Range Guard fire extinguishing systems.

Badger-Powhatan
P.O. Box 7146
Charlottesville, Virginia 22906
(804) 973-4361
Chemical engines, Portable water, carbon dioxide, and dry chemical fire extinguishers, Halon systems, range hoods, "Blaze Guard" fire hose and couplings, brass products for fire protection, industrial and municipal applications.

Scott Aviation
225 Erie Street
Lancaster, New York 14086
(716) 683-5100
Oxygen and air breathing systems, light aircraft accessories, solid-state oxygen, gas masks and respiratory devices, gas analyzers and alarms, air pollution detection and control equipment, safety and first aid equipment.

Snorkel
P.O. Box 65-Stockyards Station
St. Joseph, Missouri 64504
(913) 989-4481
Aerial type water delivery systems for fire fighting apparatus, articulated and telescopic booms, extendable ladders and aerial platforms.

Machinery and Products

Consoliated Packaging Machinery
11980 Waldron Drive
Alden, New York 14004
(716) 937-3361
High-speed automatic capping equipment for bottles, cans and other containers; crimpers; cotton stuffers; scales; bagclosers; gravity; gravity paper bag fillers and closers.

Geo. J. Meyer Manufacturing
North Rhett at Red Bank Rd.
Goose Creek, South Carolina
(803) 572-6640
Packaging and bottling equipment, labeling machinery, case palletizers, bottle rinsing and inspection equipment.

Scott Huber Essick
P.O. Box 10263
Charleston, South Carolina 29411
(803) 797-5300
Road building and construction equipment, huber motor graders, rollers and maintainers; Scott hydraulic cranes; Smith truck-mounted turbine and tilter concrete mixers.

Kersey Manufacturing
600 Mountan Lane
Bluefield, Virginia 24605
(703) 326-1121
Battery-powered tractors, scoops, supply cars, coal cars, hydraulic self-unloading cars, battery chargers; batteries and motors for underground coal mining.

Logan Co.
P.O. Box 6107
Louisville, Kentucky 40206
(502) 587-1361
Conveyor equipment and material handling systems; wire partitions and window guards, folding gates; spiral stairs and ornamental iron-work; automated package and parcel sorting systems.

Safway Steel Products
6228 West State Street
Milwaukee, Wisconsin 53213
(414) 258-2700
Steel scaffolding and shoring systems; portable bleachers; powered mobile platforms and swing stages.

Figgie Hydraulic Products
1777 Morgantown Ave
Fairmont, West Virginia 26554
(304) 366-4730
Hydraulic pumps, motors and parts; blowers; hydralic valves, snow plow rams and precision machine products; custom gears for mining, construction and hydraulic equipment.

Fee & Mason
P.O. Box D
Manasquan, New Jersey 08736
(201) 223-3000
Pipe hanger; pre-formed channel, framing and accessories; engineered pipe suspension systems; anchoring devices and fasteners; pressurized well-water tanks.

Kline Foundries
P.O. Box 444
Alburtis, Pennsylvaia 18011
(215) 966-3966
Gray, ductile and malleable iron castings for transpotation, heating, refrigeration, power transmission and construction.

Western Reserve Container
P.O. Box 193
Painesville, Ohio 44077
(216) 946-8464
Corrugated shipping containers; die cut corrugated inserts for product protection; point-of-sale corrugated floor and counter-top displays; protective inserts.

Stallman Gear
527 W. Rich Street
Columbus, Ohio 43215
(614) 224-3394
Manufactures gears and sprockets for mining machinery, construction equipment, hydraulic pump, agriculture equipment, overhead crane and other machinery markets.

Other Services

Figgie Acceptance Corporation
Richmond, Virginia 23295

Figgie Communications Inc.
10889 Wilshire Boulevard
Los Angeles, California 90024
(213) 208-8300

Figgie Properties Inc.
Richmond, Virginia 23295

Waite Hill Assurance Ltd.
Hamilton 5, Bermuda
(809) 292-6667

Figgie Systems Management Group, Inc.
4420 Sherwin Road
Willoughby, Ohio 44094
(216) 946-9000
Data processing and systems services; facility services; minicomputer hardware and software; CAD/CAM time sharing; microcomputer systems and training.

Hawthorne Aviation
Sandston, Virginia 23150
(804) 222-7256
Fixed base operation.

Cardinal Casualty Company
Parma Heights, Ohio 44130
(216) 884-6242
Property/casualty underwriting.

Colony Insurance
Warwick, Rhode Island 02886
(401) 732-0890

Waite Hill Services, Inc.
Richmond, Virginia 23295

International Operations Group

Geo. J. Meyer (Australia) Pty. Ltd.
Oliver Sportsgoods Pty. Ltd.
Australia

"Automatic" Sprinkler Belgium N.V.
Belgium

Figgie do Brasil Industria e Comercio Ltda.
Brazil

Geo. J. Meyer Mfg. Canada Ltd.
Thermometer Corporation of Canada Ltd.
Adirondack-Sherwood, Inc.
Canada

ASCOA "Automatic" Sprinkler G.m.b.H.
Germany

Waite Hill Assurance Ltd.
Western Textile Insurance Co.
Bermuda

Rusco Automatismes Et Systemes Sarl
France

Figgie International Sports, Ltd. S.A.
Haiti

Rawlings Japan Co., Ltd.
Japan

Geo. J. Meyer de Mexico S.A. de C.V.
Mexico

ASCOA "Automatic" Sprinkler Nederland B.V.
The Netherlands

Interstate Engineering Corp. de Puerto Rico
Puerto Rico

Geo. J. Meyer (South Africa) Pty. Ltd.
South Africa

Fred Perry Sportswear Ltd.
Meyer Dumore International
United Kingdom

Wimbeldon Shirt Company, Ltd.
Auto-Sentry Fire Protection Systems, Ltd.
Fred Perry & Paynes Ltd.
W. Payne & Company, Ltd.

Transfer Agent(s):
The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FIGI (NASDAQ)

Number of Employees:

1984	13,300	1981	15,400
1983	12,500	1980	16,300
1982	12,600		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 720,686,000	$ 17,413,000
1983	642,319,000	21,355,000
1982	673,834,000	26,058,000
1981	729,237,000	25,690,000
1980	726,140,000	20,605,000

	No. of Com. Shares	Earn. per Share #
1984	5,560,481	$ 3.00
1983	5,579,738	3.62
1982	5,901,438	4.18
1981	5,886,571	4.03
1980	5,922,087	3.20

+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Consumer	$ 125,447	$ 118,883
Fire Protection/Safety	286,479	259,660
Machinery & Products	139,647	123,832
Technical	162,585	130,086
Services	6,528	9,858
Total	$ 720,686	$ 642,319

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.68	—	—
1983	0.68	—	—

1982	0.68	—	—
1981	0.62	—	—
1980	0.60	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 187,231,000	$ 33.67
1983	179,845,000	32.23
1982	177,348,000	30.05
1981	163,990,000	27.86
1980	147,209,000	24.86

‡ After allowing for all preferred stock at their stated value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 720,686	$ 642,319
Other Income	5,593	12,615
Total Income	$ 726,279	$ 654,934
Cost of sales	550,284	485,085
Expenses	120,681	117,754
Interest expense	18,383	16,251
Income before taxes	$ 36,931	$ 35,844
Income taxes	10,030	12,750
Inc.-cont. oper.	$ 26,901	$ 23,094
Loss-discont. oper.	(9,488)	(1,739)
Net Income	$ 17,413	$ 21,355

* Included in Costs and Expenses, Depreciation and Amortization: $18,253,000 in 1984 and $16,022,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 3,572	$ 5,182
Accts. & notes receiv., net	130,234	117,670
*Inventories	119,021	116,603
Prepaid expenses	5,582	5,030
Marketable securities	3,869	3,500
Current assets	7,478	14,690
Current Assets	$ 269,756	$ 262,675
#Fixed assets	136,430	115,654
Other assets	75,661	66,756
Leased prop. under cap. leases	8,072	8,910
Other assets	3,899	4,215
Total Assets	$ 493,818	$ 458,210

Liabilities
(000's)

	1984	1983
Notes payable	$ 6,500	$ 24,434
Curr. maturities of long-term debt	11,795	8,998
Accts. payable	43,069	40,409
Accruals	50,359	49,781
Income taxes	263	2,507
Curr. Liabilities	$ 111,986	$ 126,129
Long-term debt	143,024	103,272
Deferred liabilities	19,212	13,504
Deferred inc. taxes	28,000	30,430
+ Preference stock	4,366	5,030
+ + Common stock	556	558
Add. paid-in capital	1,614	2,564
Retained earnings	201,440	189,566
Less unearned compen. rel. to restricted stock pur. plan	(3,938)	(3,601)
Cumulative translation adjustment	(12,441)	(9,242)
Total Liabilities & Shareholders' Equity	$ 493,818	$ 458,210

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.12	4.90
%Net Income to Sales	2.42	3.20
%Net Income to Equity	9.09	11.55
Sales to Inventories	6.06	5.22
Working Capital	$157,770,000	$136,546,000
Current Ratio	2.41	2.08
Shareholders' Equity	$191,596,000	$184,875,000

Finnigan Corporation

355 River Oaks Parkway
San Jose, California 95134
(408) 946-4848

Officers: T.Z. Chu, chairman of the board & president; Robert E. Finnigan, vice chairman & sr. v.p.-corporate development; John R. Hearn, v.p.; Ronald J. Miller, v.p.-human resources; Templeton C. Peck, general counsel & secretary; James T. Lindstrom, v.p., chief financial officer, treasurer & asst. secretary; John R. Hearn, exec. v.p.; Edward J. McGonagle, v.p.-information and administrative systems; Brenda E. Webb, asst. secretary.

Directors: T.Z. Chu, chairman of the board; Alexander D. Cross, Robert E. Finnigan, Henry E. Riggs, Roger W. Sant, R.C. Mercure, Jr., Peter H. Hengel.

Areas of Work: Manufactures and sells high-technology products, which include: gas chromatography/mass spectrometry analytical instruments; shaft encoders and precision mechanical subsystems for scientific instruments. Products are used in pharmaceutical and biomedical, pollution measurement, forensic science and industrial process control fields.

Subsidiaries:

Finnigan MAT GmbH
Barkhausenstrasse 2
Postfach Box 14 40 62
2800 Bremen 14
Federal Republic of Germany

Finnigan MAT Ltd.
Paradise
Hemel Hempstead, Herts. HP2 4TG
United Kingdom

Finnigan MAT Institute
4450 Carver Woods Drive
Cincinnati, Ohio 45246
(513) 891-2100

Finnigan MAT S.a.r.l.
69, Rue de Paris
91400 Orsay, France

Finnigan MAT S.a.r.l.
Via Valadier, 37B
00193 Rome
Italy

Finnigan MAT Instruments, Inc.
4th Floor, Famille Keio
1-1 Tamadaira, Hino-Shi
Tokyo 191 Japan

Finnigan MAT AG (Switzerland)
Finnigan MAT Instruments, Inc. (Japan)
Finnigan MAT, Inc. (Nevada)
Finnigan International Sales, Inc. (California)
Finnigan Properties, Inc. (California)

Transfer Agent(s):

Bank of America NT & SA
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: FNNG (NASDAQ)

Number of Employees:

1984	879	1981	1,118
1983	805	1980	649
1982	805		

Plant Footage:

1984	N.A.	1981	385,000
1983	414,000 sq. ft.	1980	139,000
1982	350,000		

N.A.-Not Available

Sales and Earnings

	Revenues +	Net Income †
1984	$ 65,093,000	$ 2,629,000
1983	55,063,000	(890,000)
1982	55,204,000	329,000
1981	54,900,000	360,000
1980	37,203,000	1,655,000

	No. of Com. Shares #	Earn. per Share #†
1984	4,813,000	$ 0.60
1983	4,165,000	—
1982	4,096,000	0.08
1981	3,997,000	0.09
1980	3,410,000	0.49

(Loss)
+ Of continuing operations only.
† Including extraordinary gains of $771,000 ($0.16 per share) in 1984 and $340,000 ($0.08 per share) in 1983.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 22,000,000	$ 4.57
1983	20,080,000	4.82
1982	22,300,000	5.44
1981	21,415,000	5.36
1980	15,083,000	4.42

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 65,093,000	$ 55,063,000
Cost of sales	37,405,000	33,897,000
Expenses	22,758,000	21,553,000
Interest expense	2,530,000	876,000
Income (loss) before taxes	$ 2,400,000	$ (1,263,000)
Income Tax (credit)	542,000	(33,000)
Net Income (Loss)	$ 1,858,000	$ (1,230,000)
Extraordinary gain	771,000	340,000
Net Income (Loss) & extraord. gain	$ 2,629,000	$ (890,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,639,000 in 1984 and $1,334,000 in 1983.

Finnigan Corporation

Assets

As of Dec. 31	1984	1983
Cash	$ 2,569,000	$ 4,069,000
Accts. receiv., net	16,166,000	12,879,000
Refundable income taxes	727,000	669,000
*Inventories	19,002,000	16,145,000
Prepaid taxes	—	271,000
Prepaid expenses	356,000	703,000
Current Assets	$ 38,820,000	$ 34,736,000
#Fixed assets	26,948,000	14,890,000
Other assets	714,000	399,000
Total Assets	$ 66,482,000	$ 50,025,000

Liabilities

Notes payable	$ 4,872,000	$ 3,245,000
Accts. payable	4,408,000	3,161,000
Accrued payroll	1,694,000	1,154,000
Accrued income taxes	691,000	—
Reserve for warranty	2,893,000	2,933,000
Cust. deposits	1,152,000	1,680,000
Other accruals	4,013,000	3,609,000
Curr. Liabilities	$ 19,723,000	$ 15,782,000
Long-term debt	15,299,000	1,845,000
Convertible notes	7,118,000	8,565,000
Deferred employee benefits	1,916,000	1,970,000
Deferred inc. taxes	426,000	1,783,000
+Common stock	17,072,000	16,731,000
Accumulated translation adjustments	(4,578,000)	(3,528,000)
Retained earnings	9,506,000	6,877,000
Total Liabilities & Shareholders' Equity	$ 66,482,000	$ 50,025,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.69	—
% Net Income to Sales	2.85	—
%Net Income to Equity	8.45	—
Sales to Inventories	3.43	3.41
Working Capital	$19,097,000	$18,954,000
Current Ratio	1.97	2.20
Shareholders' Equity	$22,000,000	$20,080,000

Fischer & Porter Company

County Line Road
Warminster, Pennsylvania 18974
(215) 674-6000

Officers: Jay H. Tolson, chairman of the board & chief exec. officer; Samuel S. Blackmore, chief operating officer & president; David J. Nessim, pres.-int'l. operations; J. Lee Ledbetter, sr. v.p.-finance & treasurer; Hubert A. Riester, sr. v.p.-engineering; Joseph T. DeLago, secretary; Frank P. Houpt, asst. secretary; Joseph A. Gaudiosi, asst. treasurer; Nathan T. Schelle, asst. treasurers & asst. secretary.

Directors: Jay H. Tolson, chairman; Gloria T. Chisum, David J. Nessim, Louis G.L. Thomas, Julius H. Tolson, Ram Charan, Samuel S. Blackmore, Joseph D. Brenner, J. Lee Ledbetter, William L. Mobraaten, Stuart J. Northrup.

Areas of Work: Designs, engineers, manufactures and sells process control instruments equipment and systems, including maintenance services and replacement parts for the measurement, recording and control of the flow of liquids and gases for municipal and industrial water, waste water, and sewage treatment and distribution; and for industrial process control in the petrochemical, pulp and paper, food, metal, mining, electrical power generation, marine and aerospace industries. Products include flow measurement instruments and instruments of a mechanical, electronic and pneumatic type; analytical instruments and chlorinators; analog, digital and microprocessor-based distributed control systems. Manufactures and sells laboratory industrial glass products and fiberglass products.

Subsidiaries:

Andrews Glass Company, Inc.
North West Boulevard & Weymouth Road
Vineland, New Jersey 08360

Lab-Crest Scientific Glass Company
Warminster, Pennsylvania

Fischer & Porter Pty., Limited
Melbourne, Australia

Fischer & Porter (Canada) Limited
134 Norfinch Drive
P.O. Box 135
Toronto, Ontario, Canada

Fischer & Porter Limited
Salterbeck Trading Estate
Workington, Cumberland, England

Otic-Fischer & Porter
151 Fis Avenue de la Liberation
Clermont-Ferrand, France

Fischer & Porter GmbH
Postfach 701
34 Goettingen, West Germany

Fischer & Porter Italiana, S.p.A.
Via G. de Vittorio 3072
20099 Sesto San Giovanni
Milan, Italy

Fischer & Porter Research, Inc.
Horsham, Pennsylvania

Fischer & Porter Worldwide, Inc.
Wilmington, Delaware

Fischer & Porter European Operations
Antwerp, Belgium

Fischer & Porter B.V.
Gorinchem, Netherlands

Fischer & Porter Iberica, S.A.
Saturmino Celleja 1
Madrid, Spain

Fischer & Porter Ges.m.b.H.
Vienna, Austria

Fischer & Porter Belgium N.V.
Antwerp, Belgium

Fischer & Porter AB
Stockholm, Sweden

Fischer & Porter Oy
Helsinki, Finland

Fispo, S.A.
Mexico City, Mexico

Transfer Agent(s):
Mellon Bank (East)
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: FP

Number of Employees:

1984	2,909
1983	3,050
1982	3,382
1981	3,937
1980	4,029

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 158,803,000	$ 4,791,000
1983	165,193,000	583,000
1982	182,434,000	721,000
1981	191,112,000	1,354,000
1980	185,212,000	1,147,000

	No. of Com. Shares † +	Earn. per Share ‡ +
1984	3,719,000	$ 1.17
1983	3,629,000	0.16
1982	3,563,000	0.20
1981	3,525,000	0.38
1980	3,435,000	0.33

‡ Including extraordinary gains of $2,156,000 ($0.58 per share) in 1984 and $236,000 ($0.06 per share) in 1983.
+ Based on the monthly weighted average number of common and Class B common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	5%	—
1982	—	5%	—
1981	—	5%	—
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 52,001,000‡	$ 14.01
1983	49,858,000‡	13.70
1982	51,624,000	14.42
1981	52,333,000	14.85
1980	54,377,000	15.69

‡ After allowing for preferred stock at liquidation value.
+ Based on the weighted average number of common and Class B common shares outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 158,803	$ 165,193
Cost of sales	99,308	104,094
Expenses	49,903	49,670
Oper. profit	$ 9,592	$ 11,429
Foreign exchange loss	88	727
Interest expense	2,829	5,373
Other income	(1,014)	—
Income before taxes	$ 7,689	$ 5,329
Income taxes	5,054	4,982
Net Income	$ 2,635	$ 347
Extraordinary gain	2,156	236
Net Income & Extraord. Gain	$ 4,791	$ 583

* Included in Costs and Expenses, Depreciation and Amortization: $4,112,000 in 1984 and $4,197,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 3,776	$ 5,921
Receiv., net	36,208	38,508
*Inventories	51,481	48,240
Prepaid expenses	876	1,233
Current Assets	$ 92,341	$ 93,902
#Fixed assets	18,203	21,526
Other assets	1,937	1,967
Total Assets	$ 112,481	$ 117,395

Liabilities
(000's)

Notes payable	$ 5,193	$ 8,376
Long-term debt, curr.	4,421	1,331
Accts. payable	11,462	11,487
Accruals	3,307	3,149
Accrued payroll	9,887	8,945
Income taxes	608	1,667
Curr. Liabilities	$ 34,878	$ 34,955
Long-term debt	14,205	20,605
Other liab.	6,397	6,977

+ Preferred stock		5,000		5,000
+ + Common stock		3,113		2,899
+ + Class B		421		401
Add. paid in Capital		41,148		38,766
Retained earnings		19,023		16,389
Cumulative trans. adjustment		(11,679)		(8,576)
Treasury stock		(25)		(21)
Total Liabilities	$	112,481	$	117,395

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $100 par value; 9% convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.84	3.23
%Net Income to Sales	1.66	0.21
%Net Income to Equity	4.62	0.63
Working Capital	$57,463,000	$58,947,000
Current Ratio	2.65	2.69
Shareholders' Equity	$57,001,000	$54,858,000

Fleet Aerospace Corporation

(formerly Ronyx Corporation Limited)

Gilmore Road
Fort Erie, Ontario, Canada
(416) 871-2100

Mailing address:

P.O. Box 1506
St. Catherine, Ontario
L2R 7J9

Officers: A. George Dragone, president & chief executive officer; Bruce W. Gowan, secretary & treasurer.

Directors: A.G. Dragone, John E. Warrington, John M. Marsh, Robert T. Ruggles, Gerald M. Soloway.

Areas of Work: Manufactures radar, microwave and sonar detection hardware; and components for military and civilian aircraft.

Divisions:

Fleet Industries Division
P.O. Box 400
Gilmore Road
Ft. Erie, Ontario
Canada L2A 5N3
(416) 871-2100

Techwest Division
3560 Westbrook Mall
Vancouver, British Columbia
Canada V6S 2L2
(604) 224-4331

Transfer Agent(s):

Guaranty Trust Company of Canada
Toronto, Ontario
Vancouver, British Columbia

Stock Exchange(s): Toronto, Vancouver

Ticker Symbol: FLT

Number of Employees:

1984	650	1981	953
1983	675	1980	965
1982	N.A.		

Plant Footage:

1984	500,000 sq. ft.	1981	500,000
1983	500,000	1980	500,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

		Net Sales +		Net Income
1984	$	39,065,000	$	1,905,000
1983		35,264,000		690,000
1982		34,904,000		290,000

	No. of Com. Shares	Earn. per Share #
1984	2,536,000	$ 0.76
1983	2,521,000	0.27
1982	2,521,000	0.12

+ Includes other income; of continuing operations only.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

		Total Equity	Equity Per Share
1984	$	13,255,000	$ 5.23
1983		11,242,000	4.46
1982		10,552,000	4.19

Income Account *

Year ended Sept. 30		1984		1983
Net sales	$	39,065,000	$	35,264,000
Cost of sales		33,053,000		30,450,000
Adm. & gen. expenses		3,039,000		3,229,000
Interest and debt expense		458,000		515,000
Interest income		(140,000)		(231,000)
Income before taxes	$	2,655,000	$	1,301,000
Income taxes		710,000		258,000
Inc. - cont. oper.	$	1,945,000	$	1,043,000
Loss - discont. oper.		(40,000)		(353,000)
Net Income	$	1,905,000	$	690,000

* Included in Costs and Expenses, Depreciation and Amortization: $534,000 in 1984 and $467,000 in 1983.

Assets

As of Sept. 30		1984		1983
Cash	$	70,000	$	42,000
Accts. receiv., net		7,034,000		5,913,000
Inc. taxes recov.		408,000		1,268,000
*Inventories		17,809,000		19,124,000
Prepaid expenses		148,000		210,000
Mortgage receiv.		261,000		365,000
Long-term receivable, curr. portion		469,000		439,000
Current Assets	$	26,199,000	$	27,361,000
Mortgage receiv.		879,000		950,000
Investments		171,000		—
#Fixed assets		4,864,000		4,595,000
Total Assets	$	32,113,000	$	32,906,000

Liabilities

Bank indebtedness	$	9,753,000	$	12,089,000
Long-term debt, curr.		753,000		602,000
Accts. payable & accruals		3,465,000		3,157,000
Income & other taxes		91,000		92,000
Def. inc. taxes		68,000		350,000
Curr. Liabilities	$	14,130,000	$	16,290,000
Long-term debt		4,407,000		4,854,000
Deferred inc. taxes		321,000		520,000
+Common stock		2,348,000		2,240,000
Retained earnings		10,907,000		9,002,000
Total Liabilities & Shareholders' Equity	$	32,113,000	$	32,906,000

* Work in progress at lower of cost and realizable value; materials and supplies at lower of average cost and replacement cost.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Net Income to Equity	14.37	6.14
Working Capital	$12,069,000	$11,071,000
Current Ratio	1.85	1.68
Shareholders' Equity	$13,255,000	$11,242,000

Ford Motor Company

The American Road
Dearborn, Michigan 48121
(313) 322-3000

Officers: Donald E. Petersen, chairman of the board & chief executive officer; William C. Ford, vice chairman; Harold A. Poling, president & chief operating officer; Will M. Caldwell, exec. v.p. & chief financial officer; Robert A. Lutz, exec. v.p. & chairman-Ford of Europe; Philip E. Benton, Jr., exec. v.p.-Ford Diversified Products Operations; Louis R. Ross, exec. v.p.-Ford North American Automotive Operations; John A. Betti, exec. v.p.-technical staffs; James K. Bakken, v.p.-operations support staffs; Louis Lataif, v.p.-sales operations; William E. Scollard, v.p.-manufacturing & business development operations; Lionel M. Chicoine, v.p.-purchasing & supply; W. Dale Compton, v.p.-research; James W. Ford, v.p. & chairman-finance & insurance subsidiaries; Stuart M. Frey, v.p.-car product development; Allan D. Gilmour, v.p.-external & personnel affairs; Robert C. Graham, v.p.-automotive components; L. Lindsey Halstead, v.p.-Asia-Pacific & Latin American Automotive operations; William J. Hayden, v.p.-manufacturing-Ford of Europe, Inc.; Henry E. Hockeimer, v.p. & president-Ford Aerospace & Communications Corporation; Charles L. Knighton, v.p.-small and mid size car engineering & planning; Donald F. Kopka, v.p.-design; Robert L. Rewey, v.p. & gen mgr.-Ford Division; Gordon B. MacKenzie, v.p.-sales, Ford of Europe, Inc; Robert F. Moglia, v.p. & gen. mgr.-Ford Tractor Operations; David N. McCammon, v.p. & controller; Henry R. Nolte, Jr., v.p. & general counsel; Peter J. Pestillo, v.p.-employee relations; Helen O. Petrauskas, v.p.-environmental & safety engineering; Thomas J. Wagner, v.p. & gen. mgr.-Lincoln Mercury Division; John Sagan, v.p. & treasurer; Will Scott, v.p.-governmental relations; Wayne H. Smithey, v.p.-Washington Affairs; Alexander J. Trotman, v.p.; Kenneth Whipple, v.p.-corporate strategy & analysis; Lewis C. Veraldi, v.p.-luxury & large car engineering & planning; Edson P. Williams, v.p. & gen. mgr.-truck operations.

Directors: Donald E. Petersen, chairman of the board; Philip Caldwell, Henry Ford, II, Carter L. Burgess, Arjay Miller, Will M. Caldwell, Kenneth H. Olsen, Harold A. Poling, William C. Ford, J. Edward Lundy, Franklin D. Murphy, Clifton R. Wharton, Jr., Marian S. Heiskell, Colby H. Chandler, Roberto C. Goizeta, John B. Connally, Michael D. Dingman, Thomas C. Page, Robert A. Lutz, Philip E. Benton, Jr., John A. Betti, Louis R. Ross.

Areas of Work: Engaged in the manufacture of cars, trucks, tractors and their parts; also manufactures and sells electronic products, industrial and chemical products, architectural glass, and defense-space products for the government, as well as engaged in finance and insurance operations.

Subsidiaries:

Ford Aerospace & Communications Corporation
Detroit, Michigan

Ford Motor Company Caribbean, Inc
Canovanas, Puerto Rico

Eveleth Taconite Company*
Eveleth, Minnesota

Ford International Capital Corporation
Hamilton, Bermuda

Ford Motor Credit Company (unconsolidated)
Dearborn, Michigan

Detroit Downtown Development Corporation
(unconsolidated)
Dearborn, Michigan

The American Road Insurance Company
(unconsolidated)
Dearborn, Michigan

Ford Motor Company

Ford Life Insurance Company (unconsolidated)
Dearborn, Michigan

Ford Leasing Development Company (unconsolidated)
Dearborn, Michigan

Ford Motor Land Development Corporation (unconsolidated)
Dearborn, Michigan

Ford of Europe, Incorporated
Brentwood, Essex, England

Henry Ford & Son, Limited
Cork, Ireland

Ford Tractor (Belgium) Limited
Antwerp, Belgium

Ford Motor Credit Company Limited (unconsolidated)
Brentwood, Essex, England

Ford Motor Company (Belgium) N.V.*
Antwerp, Belgium

Ford Motor Company (Switzerland) S.A.
Zurich, Switzerland

Ford Motor Argentina, S.A.
Buenos Aires, Argentina

Ford Motor Company, S.A.
Mexico City, Mexico

Ford (Uruguay) S.A.
Montevideo, Uruguary

Ford Motor de Venezuela S.A.
Valencia, Venezuela

Ford Motor Company of Canada, Limited*
Oakville, Ontario, Canada

Ford Motor Company of Australia Limited
Campbellfield, Australia

Ensite Limited
Windsor, Ontario, Canada

Ford Brasil S.A.*
Sao Bernardo do Campo, Brazil

Ford-Werke AG
Cologne, Germany

Ford Credit Bank AG (unconsolidated)
Cologne, Germany

Ford Motor Company (Austria) KG
Salzburg, Austria

Ford Motor Company (Egypt) S.A.E.
Alexandria, Egypt

Ford France S.A.
Rueil-Malmaison, France

Ford Italiana, S.p.A.
Rome, Italy

Ford Lusitana, S.A.R.L.
Lisbon, Portugal

Ford Motor Company A/S*
Copenhagen, Denmark

Ford Motor Norge A/S
Kolbotn, Norway

O/Y Ford A/B*
Helsinki, Finland

Ford Nederland N.V.*
Amsterdam, The Netherlands

Ford Motor Company Aktiebolag*
Stockholm, Sweden

Ford Credit S.A. (unconsolidated)
Madrid, Spain

Ford Financiadora S.A. (unconsolidated)
Sao Paulo, Brazil

Ford Motor Company of Malaysia, Sdn. Bhd.
Kuala Lumpur, Malaysia

Ford Motor Company (Japan) Ltd.
Tokyo, Japan

Ford Espana S.A.
Madrid, Spain

Ford Lio Ho Motor Company, Ltd.*
Taipei, Taiwan

Ford of Europe Incorporated Branch
Cologne, Germany

Ford Credit Australia Limited (unconsolidated)
Melbourne, Australia

Transcon Insurance Limited (unconsolidated)
Hamilton, Bermuda

Ford Asia-Pacific, Inc.
Melbourne, Australia

Fordson Coal Company
Dearborn, Michigan

Credit Ford S.A. (unconsolidated)
Paris, France

Essex Manufacturing
Windsor, Ontario, Canada

Ford International Finance Corporation
Hamilton, Bermuda

Ford Motor Company Limited
Brentwood, Essex, England

Ford-Werke AG
Genk, Belgium

Philco Radio e Televisao, Ltda.
Sao Paulo, Brazil

Ford Motor Company of New Zealand Limited
Lower Hutt, New Zealand

Ford Direct Market Operations, Incorporated
Dearborn, Michigan

Ford Credit Canada Limited (unconsolidated)
Oakville, Ontario, Canada

* Subsidiaries in which there is an outstanding minority interest.

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 W. 33rd Street
New York, New York 10001

Bank of America National Trust and Savings Association
Corporate Agency
P.O. Box 37002
San Francisco, California 94137

Continental Illinois National Bank and Trust Company of Chicago
180 North LaSalle Street (sixth floor)
Chicago, Illinois 60601

Manufacturers National Bank of Detroit
100 Renaissance Center
Detroit, Michigan 48243

Montreal Trust Company
P.O. Box 1900, Station B
Montreal, Quebec, Canada H3B 3L6

National Trust Company, Limited
21 King Street East
Toronto, Ontario, Canada M5C 1B3

Stock Exchange(s): New York, Midwest, Pacific, Boston, Philadelphia, Toronto, Montreal

Ticker Symbol: F

Number of Employees:

1984	383,700	1981	404,800
1983	380,100	1980	426,700
1982	379,200		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 52,366,400	$ 2,906,800
1983	44,454,600	1,866,900
1982	37,067,200	(657,800)
1981	38,247,100	(1,060,100)
1980	37,085,500	(1,543,300)

	No. of Com. Shares ‡	Earn. per Share ‡
1984	184,100,000	$ 15.79
1983	181,400,000	10.29
1982	180,600,000	—
1981	180,400,000	—
1980	179,900,000	—

(Loss)
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Automotive	$48,513	93%	$40,971	92%
Non-automotive	3,853	7	3,484	8
Total	$52,366	100%	$44,455	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$2.00	—	—
1983	0.50	—	3-for-2
1982	—	—	—
1981	0.80	—	—
1980	1.73	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 9,837,700	$ 52.86
1983	7,545,300	41.23
1982	6,077,500	33.60
1981	7,362,200	40.71
1980	8,567,500	47.37

‡ Adjusted to reflect stock split.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 52,366,400	$ 44,454,600
Cost of sales	43,425,400	37,316,300
Expenses	2,544,100	2,399,700
Depreciation	1,328,600	1,262,800
Amort. of special tools	979,200	1,029,300
Emp. retire. plan	666,900	642,800
Interest income	(381,500)	(2,000)
Eq. in inc. of subsid.	(479,100)	(360,600)
Income before taxes	$ 4,282,800	$ 2,166,300
Income taxes	1,328,900	270,200
Minority interest	47,100	29,200
Net Income	$ 2,906,800	$ 1,866,900

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 1.171.500	$ 2.185.400
Marketable securities	4.771.700	966.700
Receiv., net	2.526.100	2.767.600
*Inventories	4.115.200	4.111.700
Other assets	746.200	787.700
Current Assets	$ 13.330.700	$ 10.819.100
Eq. in assets of unconsol. subsid.	2.832.100	2.582.700
#Fixed assets	10.549.100	9.801.900
Other assets	773.700	665.200
Total Assets	$ 27.485.600	$ 23.868.900

Liabilities
(000's)

Long-term debt, curr.	$ 651.300	$ 109.200
Short-term debt	696.700	832.800
Accts. payable	6.190.500	5.247.100
Income taxes	509.700	362.100
Accruals	3.919.500	3.764.700
Curr. Liabilities	$ 11.967.700	$ 10.315.900
Long-term debt	2.110.900	2.712.900
Other liabilities	2.430.500	2.054.400
Deferred inc. taxes	1.000.900	1.103.200
Minority interests	137.900	137.200
+ Common stock	344.400	336.400
+ Class B stock	27.800	29.600
Add. paid-in capital	580.100	465.400
For. curr. trans. adjust.	(1.365.400)	(999.200)
Retained earnings	10.250.800	7.713.100
Total Liabilities & Shareholders' Equity	$ 27.485.600	$ 23.868.900

* At lower of cost (domestic inventories at LIFO: foreign at FIFO) or market.

# Less accumulated depreciation.

+ $2.00 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.18	4.87
%Net Income to Sales	5.55	4.20
%Net Income to Equity	29.55	24.74
Sales to Inventories	12.73	10.81
Working Capital	$1.363.000.000	$ 503.200.000
Current Ratio	1.11	1.05
Shareholders' Equity	$9.837.700.000	$7.545.300.000

The Foxboro Company

Bristol Park
Foxboro, Massachusetts 02035
(617) 543-8750

Officers: Earle W. Pitt, chairman of the board & chief exec. officer; Colin I. W. Baxter, president & chief operating officer; Charles A. McKay, exec. v.p.; George R. Garby, Gerald H. Gleason, James W. Graham, Charles E. Jordan, Peter F. McCrea, Michael W. Powell, Paul W. White, Gary K. Willis, vice presidents; Howard L. Osler, v.p., secretary, controller & chief accounting officer; Gerald F. Morris, v.p., treasurer & chief financial officer; John C. Fuller, asst. secretary & clerk.

Directors: Rexford A. Bristol*, Bristol B. Crocker, Robert F. Jenkins, John Jeppson II, James R. Nichols*, Earle W. Pitt*, Paul W. Murrill, Ralph Z. Sorenson, G. Richard Westin, Colin I.W. Baxter, Charles A. McKay, Richard W. Sonnenfeldt.

* Member of Executive Committee.

Areas of Work: Designs, manufactures and sells mechanical, pneumatic and electronic products for process and energy control. Products measure such production variables as flow, pressure, temperature levels; records, indicators, controllers, transmitters, valves and control panel and complete analog and digital systems.

Divisions and Subsidiaries:

Foxboro Brazil, Inc.
100 W. Tenth Street
Wilmington, Delaware 19801
(617) 543-8750

Foxboro/Jordon Inc.
5607 West Douglas Avenue
Milwaukee, Wisconsin
(414) 461-9200

Foxboro Far East Private Ltd.
P.O. Box 52
Farrer Road
Singapore

Foxboro (Malaysia) Sendirian Berhad
130 Jalan Kasah
Medan Damansara
Kuala Lumpur, 23-10, Malaysia

Foxboro-Argentina, S.A.
Avendia R.S. Pena 570
Buenos Aires, Argentina
33-7585

Foxboro Controles, S.A.
P.R. Testing Building
Dr. Mario Julia Industrial Development
Matadero Road
Puerto Nuevo, Puerto Rico 00920
(809) 782-8033

Foxboro Intertrade, Inc.
110 West Tenth Street
Wilmington, Delaware 19801
(617) 543-8750

Foxboro International Limited
Wiggie House
Redhill
Surrey, England RH1 2HL

Foxboro Canada, Inc.
707 Dollard Avenue
La Salle, Quebec, Canada
(514) 366-4210

Foxboro-Yoxall
Division of Foxboro Great Britain Ltd.
Redhill
Surrey, England RH1 2HL

Foxboro (Nederland) NV
Koningsweg, 30
Soest, Netherlands

Foxboro S.A.
Avena 410 and 410-A
Mexico 8, DF, Mexico

Foxboro, France, S.A.
B.P. 741
95004 Cergy Pontoise Cedex
France

Foxboro, KK
7, Kojimachi
Chiyoda-Ku
Tokyo, Japan
1048

Foxboro Proprietary Limited
Maroondah Highway
Lilydale 3140 Victoria, Australia

Foxboro Italia, SpA
Via Fabio Filzi, 27
Milan, Italy

Foxboro Deutchland GmbH
4000 Dusseldorf 11
West Germany

Foxboro/I.T.C., Inc.
1750 Junction Avenue
San Jose, California
(408) 998-8720

Foxboro Trading, Inc.
100 West Tenth Street
Wilmington, Delaware

Foxboro Intercontinental Ltd.
P.O.Box 3361
Amman, Jordan

Foxboro Analytical Division

Analabs, Inc.
800 Republic Drive
North Haven, Connecticut 06478

ARCAS Chromotography Center
10707 Haddingten Street
Houston, Texas 77043

Balsbaugh Center
Armstrong Road
Plymouth Industrial Park
Plymouth, Massachusetts 02360

Burlington/Center
P.O. Box 435
78 Blanchard Road
Burlington, Massachusetts 01803

Wilks Infrared Center
P.O. Box 499
140 Water Street
South Norwalk, Connecticut 06856

Acquisition(s):

Octek, Inc.
Burlington, Massachusetts

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 1681
Boston, Massachusetts 02105

Stock Exchange(s): New York, London

Ticker Symbol: FOX

Number of Employees:

1984	10,250	1981	11,950
1983	10,218	1980	11,700
1982	11,150		

Plant Footage:

1984	N.A.	1981	2,719,415
1983	3,183,689 sq. ft.	1980	2,606,000
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 515,856	$ 4,272
1983	533,102	7,977
1982	603,437	34,849
1981	606,870	44,837
1980	509,057	31,382

	No. of Com. Shares +	Earn. per Share +
1984	12,352,834	$ 0.35
1983	12,346,671	0.65
1982	12,422,479	2.81
1981	12,468,489	3.60
1980	12,421,287	2.53

+ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$ 1.04	—	—
1983	1.04	—	—
1982	1.04	—	—
1981	0.933	—	3-for-2
1980	0.867	—	—

‡ Adjusted to reflect stock split.

The Foxboro Company

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 291,985	$ 23.64
1983	310,591	25.16
1982	322,222	25.94
1981	309,687	24.84
1980	281,691	22.68

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 515,856	$ 533,102
Cost of sales	313,015	333,500
Expenses	199,740	194,237
Other income	(4,053)	(5,052)
Interest expense	3,810	2,962
Other charges	2,372	1,078
Income before taxes	$ 972	$ 6,377
Tax credit	(3,300)	(1,600)
Net Income	$ 4,272	$ 7,977

* Included in Costs and Expenses, Depreciation and Amortization: $20,541,000 in 1984 and $19,639,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 7,270	$ 2,071
Short-term investments	4,239	9,228
Accts. receiv., net	128,951	117,283
Refundable taxes	26,447	30,119
*Inventories	176,400	153,654
Prepaid expenses	7,431	5,264
Current Assets	$ 350,738	$ 317,619
#Fixed assets	106,258	106,055
Other assets	7,586	7,918
Intangibles	5,857	1,385
Total Assets	$ 470,439	$ 432,977

Liabilities
(000's)

	1984	1983
Bank loans	$ 17,230	$ 3,744
Long-term debt, curr.	2,834	2,834
Accts. payable	33,731	24,698
Accruals	22,309	26,645
Advances	64,094	24,891
Income taxes	1,931	6,008
Curr. Liabilities	$ 142,129	$ 88,820
Long-term debt	19,802	17,636
Other liabilities	3,263	3,778
Deferred inc. taxes	13,260	12,152
+ Common stock	12,570	12,570
Add. paid-in capital	71,902	71,892
Cum. trans. adjust	(25,733)	(15,685)
Retained earnings	239,264	247,839
Treasury stock	(6,018)	(6,025)
Total Liabilities & Shareholders' Equity	$ 470,439	$ 432,977

* At lower of cost or market. Domestic inventories at LIFO; remainder at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	0.19	1.20
%Net Income to Sales	0.83	1.50
%Net Income to Equity	1.46	2.57
Sales to Inventories	2.92	3.47
Working Capital	$208,609,000	$228,799,000
Current Ratio	2.47	3.58
Shareholders' Equity	$291,985,000	$310,591,000

Frequency Electronics, Inc.

55 Charles Lindbergh Boulevard
Mitchel Field, New York 11553
(516) 794-4500

Officers: Martin B. Bloch, president; Abraham Lazar, executive v.p.; John C. Ho, v.p.-research & development; Marvin Meirs, v.p.-engineering; Alfred Vulcan, v.p.-systems engineering; Harry Newman, treasurer & secretary; Markus Hechler, v.p.-manufacturing & asst. secretary.

Directors: Martin B. Bloch, chairman; John C. Ho, Abraham Lazar, E. John Rosenwald, Jr., Andrew Gaspar.

Areas of Work: Operates principally in two industries— frequency and time control products, and microwave integrated circuit components. Operations in the frequency and time control area consist of the research, design and manufacture of systems, instruments and equipment that operate on frequency control. These systems are used in guidance, navigation communications, surveillance and electronic countermeasure and timing systems. Operations in the microwave integrated circuit component industry consist of the design and manufacture and metallized substrates, having application with radar, communications and navigation equipment. Products include: quartz crystals, quartz crystal resonators and cesium beam resonators.

Divisions and Subsidiaries:

Tek-wave, Inc. (100% owned)
Manufacturer of devices, components and sub-systems for Microwave Integrated Circuit (MIC) applications. Products include hermetic and non-hermetic connectors and circuit frames, metallized substrates and thin film circuit fabrication, and sub-system packages which incorporate these various components.

Joint Ventures:

Time and Frequency, Ltd.
Manufactures time and frequency products in Europe and Israel.

Transfer Agent(s):

American Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: FEI

Number of Employees:

1984	400	1982	314
1983	359		

Plant Footage:

1984	134,750 sq.ft.	1982	131,000
1983	131,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 17,188,000	$ 3,110,000
1983	17,169,000	3,039,000
1982	15,157,000	3,984,000
1981	14,240,356	2,190,870
1980	9,311,552	783,997

	No. of Com. Shares #	Earn. per Share #
1984	3,051,557	$ 1.02
1983	3,051,768	1.00
1982	3,033,709	1.31
1981	2,447,139	0.90
1980	1,984,806	0.39

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Frequency & time control devices:		
Components	$ 5,361,000	$ 5,029,000
Instruments	7,161,000	7,219,000
Systems	4,080,000	4,049,000
Microwave integrated circ. compon.	586,000	872,000
Total	$ 17,188,000	$ 17,169,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-2 & 2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 32,406,000	$ 10.62
1983	29,257,000	9.59
1982	26,245,000	8.65
1981	9,739,220	3.98
1980	2,444,008	1.23

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 17,188,000	$ 17,169,000
Cost of sales	10,864,000	11,264,000
Expenses	2,330,000	2,098,000
Interest & other income	(1,691,000)	(1,471,000)
Income before taxes	$ 5,685,000	$ 5,278,000
Income taxes	2,575,000	2,239,000
Net Income	$ 3,110,000	$ 3,039,000

* Included in Costs and Expenses, Depreciation and Amortization: $789,000 in 1984 and $746,000 in 1983.

Assets

As of April 30	1984	1983
Cash & cash equiv.	$ 15,611,000	$ 17,082,000
Accts. receiv., net	7,012,000	5,438,000
*Inventories	7,829,000	5,409,000
Prepayments and other	483,000	402,000
Current Assets	$ 30,935,000	$ 28,331,000
#Fixed assets	8,504,000	7,878,000
Other assets	1,014,000	356,000
Total Assets	$ 40,453,000	$ 36,565,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 364,000	$ 360,000
Accts. payable	1,233,000	953,000
Accruals	562,000	480,000
Accrued payroll	473,000	329,000
Accrued taxes	136,000	114,000
Income taxes pay.	—	237,000
Def. inc. taxes	303,000	—
Curr. Liabilities	$ 3,071,000	$ 2,473,000
Long-term debt	3,859,000	4,230,000
Deferred taxes payable	1,117,000	605,000
+ Common stock	3,078,000	3,078,000
Add. paid-in capital	16,178,000	16,143,000
Retained earnings	13,269,000	10,159,000
Treasury stock	(119,000)	(120,000)
Less receiv. from stock	—	(3,000)
Total Liabilities & Shareholders' Equity	$ 40,453,000	$ 36,565,000

* At lower of cost (specific and average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	33.08	30.74
%Net Income to Sales	18.09	17.70
%Net Income to Equity	9.60	10.39
Sales to Inventories	2.20	3.17

Working Capital	$27,864,000	$25,858,000
Current Ratio	10.07	11.46
Shareholders' Equity	$32,406,000	$29,257,000

GAP Instrument Corp.

110 Marcus Boulevard
Hauppauge, New York 11788
(516) 273-0909

Officers: Alan G. Binnie, chairman and chief executive officer; Joseph J. Langford, president & treasurer; Henry R. Hess, secretary; Henry V. Torti, v.p.

Directors: Alan G. Binnie, Joseph J. Langford, Fred A. Vernon, Richard M. Goldfrank.

Areas of Work: Manufactures electromechanical and solid-state systems, electronic components and servo mechanisms, and test and simulation equipment for military and commercial purposes.

Transfer Agent(s):

Registrar & Transfer Co.
P.O. Box 436
Jersey City, New Jersey 07303

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	31	1981	29
1983	30	1980	30
1982	29		

Plant Footage:

1984	27,500 sq. ft.	1981	27,500
1983	27,500	1980	27,500
1982	27,500		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 1,535,003	$ 115,351
1983	1,332,566	81,779
1982	1,321,474	27,292
1981	1,123,910	(59,788)
1980	1,422,819	110,706

	No. of Com. Shares	Earn. per Share ‡ +
1984	1,614,454	$ 0.07
1983	1,614,454	0.05
1982	1,614,454	0.01
1981	1,614,454	—
1980	1,611,004	0.07

(Loss)
‡ Including extraordinary credits of $19,999 (0.01 per share) in 1984, $3,750 in 1983 and $4,897 in 1982, $20,700 ($0.01 per share) in 1980.
+ Based on the average number of shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 1,535,003	$ 1,332,566
Cost of sales	928,414	801,963
Expenses	461,192	430,047
Interest expense	10,284	18,777
Income before taxes	$ 135,113	$ 81,779
Income taxes	39,761	3,750
Net Income	$ 95,352	$ 78,029
Extraord. credit	19,999	3,750
Net Income & extraord. credit	$ 115,351	$ 81,779

* Included in Costs and Expenses. Depreciation: $10,931 in 1984 in $5,328 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 32,980	$ 49,051
Accts. receiv., net	145,046	54,968
*Inventories	364,426	323,737
Prepaid expenses	13,057	10,319
Current Assets	$ 555,509	$ 438,075
Other assets	31,795	18,981
Total Assets	$ 587,304	$ 457,056

Liabilities

Notes payable	$ —	$ 29,832
Accts. payable	96,639	69,075
Income taxes	7,890	—
Accruals	16,534	6,613
Accrued payroll & taxes	34,753	36,152
Curr. Liabilities	$ 155,816	$ 141,672
Long-term debt	491,265	491,265
Deferred salaries	64,474	63,721
+ Preferred stock	—	1,741,324
+ + Common stock	161,445	161,445
Add. paid-in capital	2,594,543	853,219
Accumulated deficit	(2,880,239)	(2,995,590)
Total Liabilities & Shareholders' Equity	$ 587,304	$ 457,056

* At lower of current cost or market.
+ $100 par value.
+ + $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.80	6.14
%Net Income to Sales	6.21	5.86
Sales to Inventories	4.21	4.12
Working Capital	$ 399,693	$ 296,403
Current Ratio	3.57	3.09
Shareholders' Equity (Deficiency)	$(124,251)	$(239,602)

Gates Learjet Corporation

[illegible] owned subsidiary of The Gates Corporation)

[illegible] nent Airport
[illegible] x 7707
Wichita, Kansas 67277
(316) 946-2000

Officers: Charles C. Gates, chairman of the board; B.S. Stillwell, president; A.J. Brizzolara, executive vice president & general manager-Jet Electronics & Technology, Inc.; W.H. Webster, treasurer; A.M. Hain, asst. treasurer; L. McDonough, secretary; D.L. Mayer, asst. secretary; J.R. Greenwood, senior vice president-corporate affairs; W.R. Edgar, vice president-government relations; E.R. Miller, vice president-employee relations; D.E. Howard, senior vice president-manufacturing operations; J.S. Medeiros, senior vice president-product support; R.D. Neal, senior vice president-program management & technology; P.J. Baker, vice president-flight operations & chairman-Safety Board; J.H. Benson, vice president-International Marketing; M.I. Berger, vice president-resale marketing; R.F. Berry, v.p.-quality assurance A.F. Green, vice president-Plant Manager, Tucson; D.J. Grommesh, vice president-research & engineering programs; R.E. Hamlin, vice president-Plant Manager, Wichita; B.J. Isaacman, vice president-styling & design; H.K. Langthorp, vice president-material management; M.F. Mastin, vice president-marketing programs; K.B. Garner, v.p.-central region; R.M. Mooney, vice president-management information services; D.B. Norton, vice president-C-21A aircraft services; D.H. Lee, treasurer- Combs-Gate Denver, Inc; N.S. Kuzo, vice president-Southern Region; R.C. Williams, vice president-Eastern Region; R.P. Anderson, exec. vice president & general manager- Combs-Gates Denver, Inc.; R.N. Fitzgerald, exec. vice president & general manager- Combs-Gates Bradley, Inc.; M. Sinker, general manager- Combs-Gates Florida, Inc.;T.B. Winget, president & general manager- Combs-Gates Indianapolis, Inc.; H. Harris, vice president & general manager- Combs-Gates Palm Springs, R.O. Schenk, vice president-manufacturing, Jet Electronics & Technology, Inc.; H.W. Veverica, vice president-Engineering, Jet Electronics & Technology, Inc.

Directors: Charles C. Gates, Neil A. Armstrong, Robert G. Bonham, Harry B. Combs, Frederic C. Hamilton, Albert B. Fay, H. Benjamin Duke, Jr., Bermar S. Stillwell.

Areas of Work: Manufactures and markets jet aircraft; airborne electronics equipment for military and commercial application, including navigation, altitude reference systems, standby gyro horizon and power supply systems; maintains airplane service and sales operations.

Facilities:

Corporate Offices & Wichita Operations
Mid-Continent Airport
8220 W. Harry Street
Wichita, Kansas 67209
(316) 946-2000

Aircraft Marketing Center & Tucson Operations
Tucson International Airport
P.O. Box 11186
Tucson, Arizona 85734
(602) 746-5100
(602) 294-4422 (Marketing)

Divisions and Subsidiaries:

Aircraft Division
Tuscon International Airport
Tuscon, Arizona

Aeospace Division
Mid Continent Airport
Wichita, Kansas

Fixed Base Operations:
Combs-Gates Denver, Inc.
Stapleton International Airport
Denver, Colorado

Combs Gates Arapahoe
Centennial Airport
Englewood, Colorado

Combs-Gates Bradley, Inc.
Bradley International Airport
Windsor Locks, Connecticut
Westover Industrial Airport
Chicopee, Massachusetts
Waterbury-Oxford Airport
Oxford, Connecticut

Combs-Gates Florida, Inc.
Ft. Lauderdale/Hollywood International Airport
Ft. Lauderdale, Florida

Combs-Gates Indianapolis, Inc.
Indianapolis International Airport
Indianapolis, Indiana

Combs-Gates Palm Springs, Inc.
Palm Springs Municipal Airport
Palm Springs, California

Jet Electronics & Technology, Inc.
5353 52nd Street
Grand Rapids, Michigan

Gates Learjet Aircraft Services Corporation
Mid-Continent Airport
Wichita, Kansas

Transfer Agent(s):

Harris Trust Company of New York
New York, New York

The Fourth National Bank and Trust Company
200 East Douglas
Wichita, Kansas 67202

Stock Exchange(s): American

Number of Employees:

1984	3,473	1981	6,841
1983	3,756	1980	5,496
1982	3,169		

Gates Learjet Corporation

Sales and Earnings

	Net Sales	Net Income
1984	$ 406,622,000	$ (10,626,000)
1983	350,507,000	449,000
1982	548,461,000	14,649,000
1981	564,890,000	22,444,000
1980	419,092,000	20,566,000

	No. of Com. Shares #	Earn. per Share #
1984	12,100,198	$ —
1983	12,100,198	0.04
1982	12,100,198	1.21
1981	12,094,358	1.86
1980	12,036,164	1.71

(Loss)
Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.05	—	—
1983	0.14	5%	—
1982	0.19	—	—
1981	0.19	—	2-for-1
1980	0.18	10%	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 113,715,000	$ 9.40
1983	124,946,000	10.33
1982	126,245,000	10.43
1981	113,901,000	9.42
1980	92,985,000	7.72

† Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *
(000's)

Year ended April 30	1984	1983
Net sales	$ 406,622	$ 350,507
Other income	1,177	1,233
Total Income	$ 407,799	$ 351,740
Cost of sales	343,554	282,038
Expenses	70,936	58,564
Interest expense	14,681	10,851
Income (loss) before taxes	$ (21,372)	$ 287
Tax credit	(10,746)	(162)
Net Income (Loss)	$ (10,626)	$ 449

* Included in Costs and Expenses, Depreciation and Amortization: $9,504,000 in 1984 and $7,716,000 in 1983.

Assets
(000's)

As of April 30	1984	1983
Cash	$ 2,963	$ 8,907
Notes & accts. receiv., net	28,270	30,897
Refundable income taxes	11,165	—
Deferred taxes	7,876	9,844
*Inventories	135,676	126,266
Prepaid expenses	4,274	8,713
Current Assets	$ 190,224	$ 184,627
#Fixed assets	147,984	67,006
Other assets	16,924	12,816
Total Assets	$ 355,132	$ 264,449

Liabilities
(000's)

Long-term debt, curr.	$ 4,195	$ 3,197
Accts. payable	20,935	22,635
Accrued liabilities	24,138	19,679
Employee compens.	12,198	12,135
Customer deposits	17,083	29,332
Revolv. credit agree.	96,000	23,000
Curr. Liabilities	$ 174,549	$ 109,978
Long-term debt	53,271	25,125
Deferred inc. taxes	2,440	4,400
Deferred liabilities	11,157	—
+Common Stock	12,100	12,100
Add. paid-in capital	72,593	72,593
Retained earnings	29,022	40,253
Total Liabilities & Shareholders' Equity	$ 355,132	$ 264,449

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.08
%Net Income to Sales	—	0.13
%Net Income to Equity	—	0.36
Sales to Inventories	3.00	2.78
Working Capital	$ 15,675,000	$ 74,649,000
Current Ratio	1.09	1.68
Shareholders' Equity	$113,715,000	$124,946,000

GCA Corporation

209 Burlington Road
Bedford, Massachusetts 01730
(617) 275-9000

Officers: Milton Greenberg, chairman of the board & chief executive officer; Richard D. Stewart, president & chief operating officer; Ephraim Radner, sr. v.p.-finance & administration & treasurer; James E. Gallagher, sr. v.p.-international and government affairs; Philip H. Chaffee, v.p. & controller; Griffith L. Resor, III, v.p.-corporate technology; Leonard M. Seale, Dennis E. Wisnosky, Peter Simone, vice presidents; Warren R. Davidson, v.p.-corporate relations; Michael I. Sandler, v.p.-human resources; Roger M. Barzun, secretary & gen. counsel.

Directors: Milton Greenberg, chairman; Richard Langerman, Theodore Levitt, Ephraim Radner, Kenneth J. Thornhill, Richard D. Stewart, Leonard S. Scheingold.

Divisions:

GCA/IC Systems Group
Burlington Division
209 Burlington Road
Bedford, Mass. 01730
(617) 275-5400

Designs semiconductor equipment used in the manufacture of advanced integrated circuits, including products for exposing circuit patterns onto silicon wafers (DSW Wafer Stepper® system), processing wafers before and after exposure (Wafertrac® system), etching wafers (Waferetch™ system) and fabricating masks containing circuit design patterns (Photorepeater® and Pattern Generator systems).

GCA Industrial Systems Group
One Energy Center
Naperville, Ill. 60511
(312) 369-2110

Plans, develops and establishes products and programs in robotics, integrated factory controls and integrated manufacturing systems.

GCA/Instruments and Equipment Group
3737 West Cortland Street
Chicago, Ill. 60657
(312) 227-2660

Laboratory apparatus and equipment such as incubators, serological baths, constant temperature ovens, laboratory clamps, vacuum pumps, laboratory centrifuges, and petroleum analytical apparatus; also produces petroleum process monitoring and control instruments (on-line and laboratory).

GCA/Vacuum Industries Division
5 Middlesex Avenue
Somerville, Mass. 02145
(617) 666-5450

Manufactures vacuum sintering, melting, induction and other furnaces used to heat treat ceramics, metals and other materials under controlled temperature and atmospheric conditions.

GCA/Technology Division
Environmental Services
213 Burlington Road
Bedford, Mass. 01730
(617) 275-5444

Environmental services and technology programs related to solving problems of environmental pollution and hazardous waste monitoring for government, industry and utilities. Develops and manufactures detecting, sensing and measuring instruments.

GCA International
Brussels, Belgium

Tropel, Inc.
Fairport, New York

Manufactures high quality industrial lenses.

Far East Area
Tokyo, Japan

Government Relations
Washington, D.C.

Instruments and Equipment Group
Chicago, Illinois

GCA Manufacturing Operations
Andover, Massachusetts

GCA Service Company
Bedford, Massachusetts

GCA/Tropel Division
60 O'Connor Road
Fairport, New York 14450
(716) 377-3200

Manufactures and designs high quality, precision optical lenses; wafer flatness testing equipment (AutoSort® system) and metrology products.

Joint Ventures:

Matra GCA, S.A.
Malville, France

Sumitomo GCA Corporation
Tokyo, Japan

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: GCA

Number of Employees:

1984	N.A.	1981	2,652
1983	2,700	1980	2,802
1982	2,200		

N.A. - Not Available

Plant Footage:

1984 .... 825,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1984	$ 308,624,000	$ 28,569,000
1983	194,752,000	1,378,000
1982	141,546,000	(14,780,000)
1981	218,490,000	21,911,000
1980	191,023,000	14,619,000

	No. of Com. Shares #	Earn. per Share #
1984	13,584,000	$ 2.10
1983	13,304,000	0.10

1982	12,521,000	—
1981	12,638,000	1.73
1980	12,072,000	1.21

(Loss)
Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Industrial prod. equipment	$ 261,620,000	$ 155,575,000
Scientific & anaytical equipment	32,149,000	29,431,000
Other	14,855,000	9,746,000
Total	$ 308,624,000	$ 194,752,000

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	50%	—
1982	0.067	—	—
1981	0.111	50%	—
1980	0.074	50%	—

Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 127,685,000	$ 9.40
1983	90,458,000	6.80
1982	82,366,000	6.58
1981	95,169,000	7.53
1980	71,271,000	5.90

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Net sales	$ 308,624	$ 194,752
Cost of sales	171,915	124,336
Expenses	87,667	63,130
Interest expense	8,636	6,808
Income before taxes	$ 40,406	$ 478
Incomes taxes (credit)	11,837	(900)
Net Income	$ 28,569	$ 1,378

* Included in Costs and Expenses, Depreciation and Amortization: $7,961,000 in 1984 and $7,090,000 in 1983.

Assets
(000's)

As of	12/30/84	1/1/84
Cash	$ 3,145	$ 4,313
Accts. receiv., net	111,463	79,817
*Inventories	95,777	67,248
Prepaid expenses	2,822	2,360
Current Assets	$ 213,207	$ 153,738
#Fixed assets	57,333	46,366
Intangibles	6,554	6,559
Other assets	18,474	7,919
Total Assets	$ 295,568	$ 214,582

Liabilities
(000's)

Long-term debt., curr.	$ 2,361	$ 1,315
Accts. payable	30,571	26,844
Deferred income tax	9,033	—
Salaries & wages	7,056	4,797
Warranty installation	7,027	5,505
Other accrued liabilities	11,294	15,756
Curr. Liabilities	$ 71,804	$ 49,755
Long-term debt	86,823	62,636
Oblig. under cap. leases	2,364	2,468
Deferred inc. taxes	5,334	7,010
Other liabilities	1,558	2,255
+ Common stock	8,245	7,878
Add. paid-in capital	52,237	43,403
Retained earnings	69,975	41,406
Restricted stock	(2,772)	(2,229)
Total Liabilities & Shareholders' Equity	$ 295,568	$ 214,582

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.60 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.09	0.25
%Net Income to Sales	9.26	0.71
%Net Income to Equity	22.37	1.52
Sales to Inventories	3.22	2.90
Working Capital	$141,403,000	$103,983,000
Current Ratio	2.97	3.09
Shareholders' Equity	$127,685,000	$ 90,458,000

GenCorp

(Formerly The General Tire & Rubber Company)

One General Street
Akron, Ohio 44329
(216) 798-3000

Officers: M. Gerald O'Neil, chairman & chief exec. officer; A. William Reynolds, president & chief operating officer; John O'Neil, chairman-finance committee; vice presidents: James H. Miller, tires; Tress E. Pittenger, legal; Sam Salem, chemicals, plastics & industrial products; Keith E. Johnson, treasurer; John J. Dalton, secretary & general counsel; Gary W. Meader, controller; Jack A. Bonsky, asst. secretary; Robert W. Morris, asst. treasurer; Frank C. Rote, asst. scretary.

Directors: M. Gerald O'Neil*, chairman; John O'Neil, Tress E. Pittenger, David S. Henkel, Richard B. Tullis*, James T. Morley, William B. Walsh, James J. Kerley, William F. Spitznagel*, Thomas F. O'Neil, A.J. Moccia, A. William Reynolds.

*Member of the Executive Committee.

Divisions and Subsidiaries:

General Tire
One General Street
Akron, Ohio 44329
(216) 798-3000

Bias-type, bias-belted, and radial passenger and truck tires, off-the-road and farm tires, retread rubber and recapping accessories; tubes; tire-repair materials; curing accessories; special products.

DiversiTech General
One General Street
Akron, Ohio 44329
(216) 798-3000

Vinyl-coated fabric materials; plastic films and sheeting; roofing membrane systems; rigid and flexible plastics; tennis and racquet balls and accessories; adhesives and coatings for carpet, paper and rubber industries; synthetic rubber; engineered rubber and plastic parts; extruded sponge seals; beltstrip seals; vinyl seals; flocked window channels; motor mounts; rubber and metal vibration dampers; wiper blades; brake system parts— wheel and master cylinder cups, distribution valves, vacuum assist diaphragms; painted facial body parts; extruded and molded rubber and plastic parts; missile parts; railway crossing units.

Aerojet-General
10300 North Torey Pines Road
La Jolla, California 92037
(519) 455-8500
Aerospace and defense products.

Revenues are principally from sales of solid and liquid propellant rocket engines, ordnance items, electronic sensor systems and related defense items.

RKO General, Inc.
1440 Broadway
New York, New York 10018
(212) 764-7000

RKO industry segments: "Broadcasting" operations consist primarily of 12 radio stations and 3 TV stations in major domestic markets and three radio networks. "Soft drink bottling" operations consist of the production, bottling and sale of soft drink products (primarily PepsiCola) from 10 midwestern plants. "Other industries" consist principally of audio take diskette duplicating services and video theatrical productions, movie production and hotel management/development.

Transfer Agent(s):

Chemical Bank (Preference Stock)
New York, New York

Gencorp, Inc.
(Common and Preference Stock)
Akron, Ohio

Morgan Guaranty Trust Company of New York
(Common Stock)
New York, New York

Gencorp, Inc.
(Common and Preference Stock)
Akron, Ohio

Morgan Guaranty Trust Company of New York
(Common Stock)
New York, New York

Stock Exchange(s): New York, Midwest

Ticker Symbol: GY

Number of Employees:

1984	27,800	1981	36,000
1983	34,000	1980	39,000
1982	32,000		

Sales and Earnings ×

	Net Sales ◆ (000's)	Net Income (000's)
1984	$ 2,727,062	$ 7,210
1983	2,517,272	65,288
1982	2,354,327	18,606
1981	2,457,349	110,854
1980	2,120,847	40,608

	No. of Com. Shares ‡	Earn. per Share ‡
1984	21,465,518	$ 0.33
1983	23,100,535	2.82
1982	24,510,147	0.75
1981	25,507,657	4.33
1980	25,584,406	1.57

× Restated to reflect the inclusion of the accounts of RKO General, Inc. in the financial statements of the company.
◆ Of continuing operations only.
‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

	1984	1983
Tires & related products	$ 1,122,441	$ 1,004,804
Plastics & indust. products	712,191	611,313
Aerospace & defense products	521,263	568,234
Soft drink bottling	170,983	149,597
Entertainment & other	200,184	183,324
Total	$ 2,727,062	$ 2,517,272

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.50	—	—
1983	1.50	2%	—
1982	1.50	2%	—
1981	1.50	2%	—
1980	1.50	2%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 910,077,000	$ 42.40
1983	938,263,000	40.62
1982	1,012,796,000	41.32
1981	1,030,409,000	40.40
1980	983,368,000	38.44

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends.

Income Account
(000's)

Year ended Nov. 30	1984	1983
Net sales	$ 2,727,062	$ 2,517,272
Cost of sales	2,123,013	1,955,035
Expenses	379,094	333,432
Depreciation	94,138	90,804
Eq. in loss of Frontier Holdings, Inc.	8,981	9,921
Interest income	(57,560)	(41,399)
Interest expense	39,218	32,648
Prov. for plant clos.	110,500	11,000
Inc. bef. taxes	$ 29,678	$ 125,831
Income taxes	22,468	53,418
Inc. - cont. oper.	$ 7,210	$ 72,413
Loss - discont. oper.	—	(7,125)
Net Income	$ 7,210	$ 65,288

Assets
(000's)

As of Nov. 30	1984	1983
Cash & short-term securities	$ 152,249	$ 181,266
Accts. & notes receiv., net	470,555	438,029
*Inventories	293,855	247,043
Prepaid expenses	32,566	28,680
Assets of discont. oper.	88	28,316
Current Assets	$ 949,313	$ 923,334
#Fixed assets	690,515	653,529
Investments & other assets	397,276	389,299
Total Assets	$ 2,037,104	$ 1,966,162

Liabilities
(000's)

	1984	1983
Notes payable	$ 443,346	$ 37,990
Long-term debt, curr.	14,732	19,468
Accts. payable & accruals	453,204	390,320
Income taxes	35,506	60,748
Curr. Liabilities	$ 547,788	$ 508,526
Long-term debt	312,147	312,137
Deferred credits	132,352	83,351
Deferred inc. taxes	131,116	119,418
+ Redeem. pref. stock	3,624	4,467
+ + Common stock	6,440	6,438
Add. paid-in capital	219,846	219,893
Retained earnings	689,315	714,833
Cum. curr. trans. adjust.	(5,534)	(2,901)
Total Liabilities & Shareholders' Equity	$ 2,037,104	$ 1,966,162

* At lower of cost (LIFO for parent company, FIFO or average cost for subsidiaries) or market.
# Less accumulated depreciation.
+ $100 par value; cumulative.
+ + $0.30 par value.

Statistical Summary

%Net Income to Equity	0.79	6.96
Sales to Inventories	9.28	10.19
Working Capital	$401,525,000	$414,808,000
Current Ratio	1.73	1.82
Shareholders' Equity	$910,077,000	$938,263,000

General Automation, Inc.

1045 S. East Street
P.O. Box 4883
Anaheim, California 92803
(714) 778-4800

Officers: Leonard N. Mackenzie, chairman of the board, president & chief exec. officer; Donald G. Heitt, v.p. & gen. mgr.-computer division; John D. Murray, v.p.-finance & treasurer; Dennis H. Nystrom, secretary; Frank L. Hale, v.p.-National Technology; James C. Tung, v.p.-business development; Larry D. Womack, controller; Jordan H. Davis, asst. treasurer & asst. secretary.

Directors: Leonard N. Mackenzie, chairman of the board; John B. Conlan, Jr., Dennis H. Nystrom, Henry Ugarte, William Lucas.

Areas of Work: Produces mini and microcomputers for industrial and financial automation and commercial data processing.

Divisions and Subsidiaries:

The Computer Group

- Zebra Computer Division
- Mini Computer Division

The Components Group

- National Technology

National Technology
16601 Armstrong
Irvine California 92714
(714) 546-6186

General Automation World Trade

Transfer Agent(s):

Bank of America
Corporate Agency Division
555 So. Flower Street
Los Angeles, California 90071

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GENA (NASDAQ)

Number of Employees:

1984	931	1981	1,866
1983	842	1980	2,047
1982	1,428		

Plant Footage:

1984	257,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 75,510,000	$ (3,294,000)
1983	65,718,000	(11,359,000)
1982	98,748,000	(4,903,000)
1981	124,891,000	123,000
1980	125,809,000	(14,933,000)

	No. of Com. Shares	Earn. per Share + ‡
1984	2,685,630	$ —
1983	2,648,456	—
1982	2,581,820	—
1981	2,581,090	0.05
1980	2,541,580	—

(Loss)
‡ Including extraordinary credits of $80,000 in 1984, $330,000 in 1983, $400,000 in 1982, $436,000 in 1981, and $165,000 in 1980.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,786,000	$ 1.04
1983	6,726,000	2.54
1982	17,805,000	6.90
1981	22,690,000	8.79
1980	22,305,000	8.78

Income Account *

Year ended July 31	1984	1983
Net sales	$ 75,510,000	$ 65,718,000
Cost of sales	52,047,000	50,035,000
Expenses	23,101,000	24,562,000
Interest expense	2,270,000	3,095,000
Other expense	706,000	1,366,000
Prov. for gain on dispos.	—	(2,824,000)
Loss before taxes	$ (2,614,000)	$ (10,516,000)
Income taxes	760,000	1,173,000
Net Loss	$ (3,374,000)	$ (11,689,000)
Extraordinary gain	80,000	330,000
Net Loss & extraord. gain	$ (3,294,000)	$ (11,359,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,979,000 in 1984 and $2,750,000 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 1,485,000	$ 3,251,000
Accts. receiv., net	17,116,000	13,807,000
*Inventories	13,075,000	12,039,000
Prepaid expenses	1,166,000	757,000
Current Assets	$ 32,842,000	$ 29,854,000
#Fixed assets	5,922,000	7,408,000
Other assets	1,249,000	1,317,000
Total Assets	$ 40,013,000	$ 38,579,000

Liabilities

	1984	1983
Notes payable & long-term debt, curr.	$ 230,000	$ 728,000
Accts. payable	9,085,000	6,542,000
Advance from customers	1,088,000	1,252,000
Accrued payroll	2,093,000	1,706,000
Accruals	3,937,000	3,190,000
Income taxes	2,324,000	2,744,000
Curr. Liabilities	$ 18,757,000	$ 16,162,000
Long-term debt	16,837,000	13,720,000
Deferred income taxes	117,000	36,000
Deferred income	1,516,000	1,935,000
+ Common stock	269,000	265,000
Add. paid-in capital	26,657,000	26,373,000
Deficit	(23,206,000)	(19,912,000)
Translation adjustment	(934,000)	—
Total Liabilities & Shareholders' Equity	$ 40,013,000	$ 38,579,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	5.78	5.46
Working Capital	$14,085,000	$13,692,000
Current Ratio	1.75	1.85
Shareholders' Equity	$ 2,786,000	$6,726,000

General Binding Corporation

(55.7% owned by Lane Industries, Inc.)

One GBC Plaza
Northbrook, Illinois 60062
(312) 272-3700

Officers: William N. Lane, III, chairman; Rudolph Grua, president & chief exec. officer; Albert B. Boese, sr. v.p.-international; George M. Durkin, v.p.-domestic marketing; Joseph J. LaPorte, v.p.-corporate relations; James R. Waters, treasurer; Edward J. McNulty, v.p. & chief financial officer; Govi C. Reddy, sr. v.p.-operations; Walter M. Hebb, v.p.-market development; Steven Rubin, secretary & corporate counsel.

Directors: Rudolph Grua, Victor L. Lewis, Arthur C. Nielsen, Jr., Warren R. Rothwell, Thomas V. Kalebic, William N. Lane, III, Leslie R. Graham, James M. Denny.

Areas of Work: Engaged in the design, manufacture, and distribution of a broad line of business machines and related supplies which bind, laminate and shred printed materials. Also manufactures and distributes photo identification systems, label printing presses and ring elements for looseleaf binders.

Divisions and Subsidiaries:

U.S. RingBinder Corp.
New Bedford, Massachusetts

GBC Deutschland GmbH
Konigsbrunn, West, Germany

General Binding Corp. (Australia) Pty. Ltd.
Castle Hill, Australia

GBC (Canada) Limited
Don Mills, Ontario, Canada

GBC United Kingdom Limited
Camberley, Surrey, England

GBC France S.A.
Aulnay, France

GBC (Nederland) B.V.
Hoofddorp, The Netherlands

General Binding Corp. (Italia) S.p.A.
Tornaco, Italy

GBC Japan K.K.
Noda, Japan

GBC Mexicana S.A. de C.V.
Mexico City, Mexico

GBC (Schweiz) A.G.
Wollerau, Switzerland

Webtron Corp.
Fort Lauderdale, Florida

Webtron GmbH
Darmstadt, Germany

Transfer Agent(s):

Harris Trust and Savings Bank
P.O. Box 755
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GBND (NASDAQ)

Number of Employees:

1984	2,833	1981	2,725
1983	2,728	1980	2,764
1982	2,484		

Plant Footage:

1984	750,000 sq. ft.	1982	730,000
1983	730,000	1981	730,000

Sales and Earnings

	Net Sales†	Net Income‡
1984	$ 163,251,000	$ 6,403,000
1983	145,700,000	236,000
1982	143,081,000	4,110,000
1981	149,620,000	7,524,000
1980	139,562,000	8,255,000

	No. of Com. Shares	Earn. per Share ‡ +
1984	4,920,696	$ 1.30
1983	4,921,826	0.05
1982	4,919,275	0.83
1981	4,988,576	1.50
1980	5,008,645	1.65

† Of continuing operations only.
‡ Including extraordinary gain of $427,000 ($0.08 per share) in 1983.
+ Based on the average number of common shares outstanding.

Revenues By Line of Business

	1984	1983	1982	1981
Business machines	30%	29%	28%	32%
Related supplies & other products	70	71	72	68
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.34	—	—
1983	0.32	—	—
1982	0.29	—	—
1981	0.26	—	—
1980	0.21	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 64,641,000	$ 13.14
1983	61,478,000	12.49
1982	63,485,000	12.91
1981	63,103,000	12.65
1980	58,161,000	11.61

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 163,251	$ 145,700
Cost of sales	88,222	80,426
Expenses	61,524	55,486
Interest expense	2,710	2,604
Other income	(1,472)	(1,115)
Income before taxes	$ 12,267	$ 8,299
Income taxes	5,864	3,721
Inc.-cont. oper.	$ 6,403	$ 4,578
Loss-discont. oper.	—	(4,769)
Net Income (Loss)	$ 6,403	$ (191)
Extraord. gain	—	427
Net Income (Loss) & extraord. gain	$ 6,403	$ 236

* Included in Costs and Expenses, Depreciation and Amortization: $4,124,000 in 1984 and $4,131,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 4,646	$ 2,530
Receiv., net	30,314	29,160
*Inventories	36,494	30,181
Prepaid expenses	5,955	7,779
Assets of discount oper.	451	2,289
Current Assets	$ 77,860	$ 71,939
#Fixed assets	31,257	29,760
Other assets	8,015	8,509
Total Assets	$ 117,132	$ 110,208

Liabilities
(000's)

Loans payable	$ 2,650	$ 4,062
Long-term debt, curr.	615	718
Accts. payable	11,131	8,689
Accruals	7,616	5,412
Accrued payroll	4,385	4,174
Income taxes	4,257	2,326
Other taxes	1,021	1,712
Reserve for discount. oper.	173	2,035
Curr. Liabilities	$ 31,848	$ 29,128
Long-term debt	17,036	14,931
Other liab.	1,511	1,891
Deferred inc. taxes	2,096	2,780
+Common stock	657	656
Add. paid-in capital	5,125	5,006
Retained earnings	67,244	62,516
Cum. trans. adjust.	(4,774)	(3,254)
Treasury stock	(3,611)	(3,446)
Total Liabilities & Shareholders' Equity	$ 117,132	$ 110,208

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.125 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.51	—
%Net Income to Sales	3.92	—
%Net Income to Equity	9.91	—
Sales to Inventories	4.47	4.83
Working Capital	$46,012,000	$42,811,000
Current Ratio	2.44	2.47
Shareholders' Equity	$64,641,000	$61,478,000

General Ceramics, Inc.

(fomerly National Beryllia Corp.)

Greenwood Avenue
Haskell, New Jersey 07420
(201) 839-1600

Officers: Melvin Eisenberg, president & chief executive officer; Mitchell Friedman, v.p.-& gen. mgr.-National Beryllia Division; Krishna V. Agnihotri, v.p. & dir. of technology; Robert J. Sisolak, v.p. & gen. mgr.-Ceramic Systems Div.; Harry S. Axt, secretary, treasurer & chief financial officer; M. Paul Davis, Jr., v.p.-marketing.

Directors: Henry H. Arnhold*, Melvin Eisenberg*, James K. Campbell, Bruce A. MacNaughton*, Stanford S. Warshawsky, Charles J. Lawson*, Herman Fialkov.

* Member of the Executive Committee.

Areas of Work: Engaged in the manufacture and sale of ceramic and metal components used for discrete power transistors and diodes, integrated circuit and hybrid circuit devices electrical insulation, etc.

Divisions:

Ceramic Systems Division
3422 Tripp Court
San Diego, California 92421
(619) 455-1500

National Beryllia Division
Haskell, New Jersey 07420

Tekform Product Division
2770 Coronado Street
Anaheim, California 92806

Transfer Agent(s):

Bradford Trust Company
One Executive Drive
Fort Lee, New Jersey 07024

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GC (NASDAQ)

Number of Employees:

1984	340	1982	160
1983	N.A.		

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 12,260,480	$ 1,772,356
1983	10,068,935	1,040,485
1982	9,150,758	923,769
1981	8,053,554	731,220
1980	8,647,849	870,369

General Ceramics, Inc.

	No. of Com. Shares +	Earn per Share ‡†
1984	1,339,790	$ 1.26
1983	1,322,220	0.74
1982	1,421,902	0.63
1981	1,391,182	0.51
1980	1,357,995	0.64

+ Adjusted to reflect stock splits.
† Based on the weighted average number of shares outstanding adjusted to reflect stock splits.
‡ Including extraordinary gain of $41,400 ($0.03 per share) in 1980.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.08	—	5-for-4
1983	0.05⅓	—	3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 8,204,382	$ 6.12
1983	6,502,879	4.92
1982	5,972,938	4.20
1981	4,992,921	3.59
1980	4,214,476	3.10

† Adjusted to reflect stock splits.

Income Account

Year ended June 30	1984	1983
Net sales	$ 12,260,480	$ 10,068,935
Cost of sales	7,317,163	6,589,940
Expenses	1,894,542	1,511,945
Depreciation	268,482	260,379
Interest expense	79,567	96,495
Interest income	(346,630)	(410,309)
Income before taxes	$ 3,047,356	$ 2,020,485
Income taxes	1,275,356	980,000
Net Income	$ 1,772,356	$ 1,040,485

Assets

As of June 30	1984	1983
Cash	$ 131,830	$ 453,352
Marketable securities	2,602,267	3,106,587
Accts. receiv., net	3,036,862	2,052,748
*Inventories	2,619,347	1,173,779
Prepaid expenses & other current assets	197,574	105,061
Current Assets	$ 8,587,880	$ 6,891,527
#Fixed assets	2,956,671	1,835,136
Defer. charges	497,866	149,890
Total Assets	$ 12,042,417	$ 8,876,553

Liabilities

	1984	1983
Long-term debt, curr.	$ 140,817	$ 150,578
Accts. payable	611,596	505,863
Accruals	1,008,589	418,494
Inc. taxes pay.	384,611	306,668
Other curr. liab.	557,444	14,340
Curr. Liabilities	$ 2,703,057	$ 1,395,943
Long-term debt	1,026,878	730,631
Deferred inc. taxes	108,100	247,100
+Common stock	1,339,790	1,148,506
Add. paid-in capital	2,457,040	3,078,436
Retained earnings	4,407,552	2,744,711
Treasury stock	—	(468,774)
Total Liabilities & Shareholders' Equity	$ 12,042,417	$ 8,876,553

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	24.86	20.07
%Net Income to Sales	14.46	10.33
%Net Income to Equity	21.60	16.00
Sales to Inventories	4.68	8.58
Working Capital	$5,884,823	$5,495,584
Current Ratio	3.18	4.94
Shareholders' Equity	$8,204,382	$6,502,879

General DataComm Industries, Inc.

One Kennedy Avenue
Danbury, Connecticut 06810
(203) 797-0711

Officers: Charles P. Johnson, chairman of the board; John C.W. Taylor, president; Frederick R. Cronin, v.p.-technology; Robert S. Smith, v.p.-corporate planning; William S. Lawrence, v.p.-finance; Hubert J. Tremblay, v.p.-U.S. Sales; James R. Arcara, v.p.-corporate operations; James J. O'Meara, v.p.-U.S. TeleComm Sales; George A. Franco, v.p.-consumer products; Charles W. Rawlings, v.p.-operations; Robert F. Hendee, v.p.-marketing; Dennis J. Nesler, treasurer; Howard S. Modlin, secretary.

Directors: Charles P. Johnson, chairman; Howard S. Modlin, Frederick R. Cronin, Gerald J. Fischer, Lee M. Paschall, Paul G. Herrington, Jr.

Areas of Work: Designs, produces, markets, installs, and services data communications equipment and networks that transmit data via telephone lines microwaves, satellites, fiber optics and other telecmmunications media between computers and terminals or other data processing equipment.

Subsidiaries:

General DataComm, Inc.
DataComm Leasing Corporation
DataComm Service Corporation
General DataComm Ltd.
General DataComm International Corporation
General DataComm Systems, Inc.
DataComm Rental Corporation
General DataComm (U.K.) Limited

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: GDC

Number of Employees:

1984	2,029	1981	1,022
1983	1,469	1980	981
1982	1,171		

Sales and Earnings

	Net Sales	Net Income
1984	$ 145,669,000	$ 11,313,000
1983	85,579,000	3,516,000
1982	60,714,000	(1,224,000)
1981	57,598,000	1,843,000
1980	53,635,000	4,411,000

	No. of Com. Shares #	Earn. per Share #
1984	14,213,000	$ 0.80
1983	13,926,000	0.25
1982	13,388,000	—
1981	12,884,000	0.14
1980	11,518,000	0.38

(Loss)
# Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-2 ‡

‡ Declared Nov., 1980.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 51,139,000	$ 3.60
1983	38,507,000	2.77
1982	34,273,000	2.56
1981	35,126,000	2.73
1980	24,695,000	2.14

+ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 145,669,000	$ 85,579,000
Minority interest	2,257,000	1,794,000
Total revenues	$ 147,926,000	$ 87,373,000
Cost of sales	81,333,000	50,583,000
Expenses	46,654,000	30,144,000
Interest expense	4,734,000	4,366,000
Other expense (income)	(252,000)	(364,000)
Income (loss) before taxes	$ 15,457,000	$ 2,644,000
Income taxes (credit)	4,144,000	(872,000)
Net Income	$ 11,313,000	$ 3,516,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,023,000 in 1984 and $3,587,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 647,000	$ 793,000
Accts. receiv., net	31,362,000	20,388,000
Investments	5,037,000	4,180,000
*Inventories	75,563,000	37,636,000
Prepaid expenses & other assets	5,026,000	3,055,000
Current Assets	$ 98,807,000	$ 66,052,000
Investments & advances	6,021,000	3,764,000
#Fixed assets	37,179,000	27,634,000
Other assets	2,393,000	2,702,000
Total Assets	$ 144,400,000	$ 100,152,000

Liabilities

	1984	1983
Cap. lease oblig., curr.	$ 1,620,000	$ 1,456,000
Accts. payable	13,925,000	9,763,000
Accruals	7,448,000	3,967,000
Inc. taxes payable	3,970,000	1,359,000
Mortgage payable	597,000	157,000
Curr. Liabilities	$ 27,560,000	$ 16,702,000
Revolv. credit notes	47,043,000	26,917,000
Cap. lease oblig.	3,059,000	2,424,000
Mortgages payable	3,494,000	11,600,000
Deferred income	9,668,000	573,000
Deferred inc. taxes	2,437,000	3,429,000
+Common stock	1,396,000	684,000
Add. paid-in capital	23,921,000	23,144,000
Retained earnings	26,185,000	14,872,000
Treasury stock	(249,000)	(27,000)
Notes receivable	(114,000)	(166,000)
Total Liabilities & Shareholders' Equity	$ 144,400,000	$ 100,152,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.61	3.09
%Net Income to Sales	7.77	4.11
%Net Income to Equity	22.12	9.13
Sales to Inventories	2.58	2.27

Working Capital	$71,247,000	$49,350,000
Current Ratio	3.59	3.95
Shareholders' Equity	$51,139,000	$38,507,000

General Defense Corporation

Schilling Plaza South
230 Schilling Circle
Hunt Valley, Maryland 21031
(301) 666-5900

Officers: Henry D. Clarke, Jr., chairman; Anthony J. Fiorelli, Jr., president & chief executive officer; Robert A. Zummo, exec. v.p.-operations; Donald W. Royston, sr. v.p.; Daniel J. Burchstead, v.p. & treasurer; Howard K. Goldmacher, v.p.-New Business Development; Wilmot L. Harris, Jr., secretary; George T. Jochum, group v.p.; James A. Wild, v.p. & controller.

Directors: Henry D. Clarke, Jr., Chairman of the Board; Robert H. Clarke, Ralph R.M. Ehrmann, Anthony J. Fiorelli, Jr., Wilmot L. Harris, Jr., George L. Hogeman, James I. Spiegel.

Areas of Work: Designs, manufactures and markets military hardware.

Divisions and Subsidiaries:

General Defense Corporation
Washington Office
1215 Jefferson Davis Highway
Arlington, Virginia 22202

Ordnance Division—
East High Street
Red Lion, Pennsylvania 17356

Flinchbaugh Division—
Ammunition
East High Street
Red Lion, Pennsylvania 17356

Hamilton Technology, Inc.
101-121 North Queen Street
Lancaster, Pennsylvania 17604

Flinchbaugh Division—
International Marketing Office
34 Park Street
London, England

A.B.A. Industries, Inc.
Precision Products Division
10260 U.S. Highway 19 North
Pinellas Park, Florida 33565

A.B.A. Industries, Inc.
General Defense Systems Division
6100 118th Avenue North
Largo, Florida 33565

Transfer Agent(s):

Manufacturers Hanover Trust Company
Four New York Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: GDF

Sales and Earnings

	Net Sales +	Net Income
1985	$ 168,132,000	$ 14,180,000
1984	121,909,000	12,084,000
1983	77,979,000	9,468,000
1982	70,783,000	7,337,000
1981	60,521,000	5,603,000

	No. of Com. Shares †	Earn. per Share
1985	7,858,453	$ 1.74
1984	8,329,703	1.45
1983	8,330,439	1.14
1982	7,935,286	0.88
1981	N.A.	0.75

N.A. – Not Available
+ Of continuing operations only.
† Adjusted to reflect stock dividends.

Revenues By Line of Business

	1985	1984
Precision components:		
Military ordnance	$ 133,875,000	$ 87,611,000
Industrial & commercial prods.	18,089,000	19,845,000
Electromechanical systems	16,168,000	14,453,000
Total	$ 168,132,000	$ 121,909,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.84	—	—
1984	0.66	50% & 5%	—
1983	0.51	5%	—
1982	0.35	—	—
1981	0.19	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 27,317,000	$ 3.48
1984	27,961,000	3.36
1983	21,033,000	2.52
1982	15,819,000	1.99

‡ Adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 168,132	$ 121,909
Cost of sales	122,116	85,901
Expenses	15,046	11,774
Gain on sale of assets	—	(405)
Income from invest.	(802)	(668)
Interest expense	7,401	5,024
Minority interest	132	—
Income before taxes	$ 24,239	$ 20,193
Income taxes	10,059	8,109
Net Income	$ 14,180	$ 12,084

* Included in Costs and Expenses, Depreciation and Amortization: $4,068,000 in 1985 and $2,729,000 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash & cash equivalents	$ 16,469	$ 6,664
Marketable securities	2,822	37,519
Accts. receiv., net	40,102	19,539
*Inventories	21,240	19,773
Prepaid inc. taxes	4,807	6,191
Current Assets	$ 85,440	$ 89,686
#Fixed assets	37,768	21,737
Other assets	5,782	4,320
Goodwill	76,273	7,249
Intangibles	20,229	—
Total Assets	$ 225,492	$ 122,992

Liabilities
(000's)

Long-term debt, curr.	$ 693	$ 340
Securities margin acct.	366	22,266
Accts. payable	17,471	13,870
Accruals	28,818	17,004
Dividends payable	2,202	1,499
Income taxes	2,721	2,009
Curr. Liabilities	$ 52,271	$ 56,988
Long-term debt	132,561	35,238
Minority interest	7,109	—
Deferred inc. taxes	6,234	2,805
+Common stock	1,016	833
Add. paid-in capital	48,799	23,665
Retainded earnings	10,360	3,463
Treasury stock	(32,858)	—
Total Liabilities & Shareholders' Equity	$ 225,492	$ 122,992

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.42	16.56
%Net Income to Sales	8.43	9.91
%Net Income to Equity	51.91	43.22
Sales to Inventories	7.92	6.17
Working Capital	$33,169,000	$32,698,000
Current Ratio	1.63	1.57
Shareholders' Equity	$27,317,000	$27,961,000

General Dynamics Corporation

Pierre Laclede Center
St. Louis, Missouri 63105
(314) 889-8200

Officers: David S. Lewis, chairman of the board & chief executive officer; Oliver C. Boileau, president; Richard E. Adams, executive v.p.-Aerospace; Lester Crown, exec. v.p. & chairman-Material Service Corporation; Gorden E. MacDonald, exec. v.p.-finance & administration; James R. Mellor, exec. v.p.-corporate planning & business systems; Leonard F. Buchanan, v.p.-engineering & program development; George A. Sawyer, exec. v.p.-land systems & international; James J. Cunnane, v.p. & controller; Otto J. Glasser, v.p.-international (Washington); Ralph E. Hawes, v.p. & general manager-Pomona; Edward J. LeFevre, v.p.-government relations; Alan M. Lovelace, v.p.-productivity & quality assurance; Robert H. Duesenberg, v.p. & general counsel; John P. Maguire, v.p. & secretary; Herbert F. Rogers, v.p. & general manager-Fort Worth; Arch H. Rambeau, v.p.-industrial relations; Melville R. Barlow, v.p. & gen. mgr.-Electronics; Fritz G. Tovar, v.p. & gen. mgr.-Electric Boat; Wayne Wells, v.p. & treasurer; Frederick S. Wood, v.p.-contracts & pricing; Leonard F. Buchanan, v.p.-engineering and program development; Gary S. Grimes, v.p. & gen. mgr.-Quincy Shipbuilding; John E. McSweeny, v.p. & gen. mgr.-Convair; Robert W. Truxell, v.p. & gen. mgr.-Land Systems.

Directors: David S. Lewis*, chairman; Richard E. Adams, Thomas G. Ayers, Oliver C. Boileau*, Henry Crown*, chairman of the executive committee; Lester Crown*, Milton Falkoff, Albert E. Jenner, Jr.*, Earl D. Johnson, Harvey Kapnick, Donald P. Kelly, Gorden E. MacDonald*, James R. Mellor, George A. Sawyer, Elliot H. Stein*.

* Member of the Executive Committee.

Areas of Work: Engaged in the development of marine systems, ships, aircraft, space boosters, tactical missiles and weapons, data processing equipment and sound systems, computer output microfilm, minerals and building materials.

Divisions:

Convair Division
5001 Kearny Villa Road
San Diego, California 92123
(619) 277-8900

Electric Boat Division
75 Eastern Point Road
Groton, Connecticut 06340
(203) 446-5960

Electronics Division
5011 Kearny Villa Road
San Diego, California 92123
(619) 692-6111

Fort Worth Division
General Dynamics Boulevard
Fort Worth, Texas 76108
(817) 732-4811

General Dynamics Corporation

Pomona Division
1675 West Mission Boulevard
Pomona, California 91766
(714) 629-5111

Quincy Shipbuilding Division
97 E. Howard Street
Quincy, Massachusetts 02169
(617) 471-4200

Land Systems Division
850 Stephenson Highway
Troy, Michigan 48084
(313) 583-5000

Subsidiaries:

DatagraphiX, Inc.
10981 San Diego Mission Road
San Diego, California 92108
(714) 291-9960

Marblehead Lime Company
300 W. Washington Street
Chicago, Illinois 60606
(312) 263-4490

Material Service Corporation
300 W. Washington Street
Chicago, Illinois 60606
(312) 372-3600

Freeman United Coal Mining Company
300 W. Washington Street
Chicago, Illinois 60606
(312) 263-2800

General Dynamics Services Co.
12101 Woodcrest Executive Drive
St. Louis, Missouri 63141

Transfer Agent(s):

General Dynamics Corporation
(common & preferred)
Pierre Laclede Center
St. Louis, Missouri 63105

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: GD

Number of Employees:

1984	99,000	1981	74,400
1983	92,600	1980	76,100
1982	85,100		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 7,839,000	$ 381,700
1983	7,146,300	286,600
1982	6,154,500	132,800
1981	4,758,700	124,100
1980	4,383,400	195,000

	No. of Com. Shares	Earn. per Share #
1984	54,100,000	$ 8.08
1983	54,100,000	5.30
1982	54,100,000	2.41
1981	54,000,000	[illegible]
1980	53,700,000	3.58

+ Of continuing operations only.
# Based on weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Military aircraft	$ 2,016,000	$ 2,058,000
Tactical missiles & gun syst.	1,580,000	1,250,000
Marine	1,871,000	1,590,000
Land systems	1,112,000	1,292,000
Material serv. & resources	471,000	404,000
Other	789,000	552,000
Total	$ 7,839,000	$ 7,146,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	0.93	—	—
1982	0.72	—	—
1981	0.72	—	—
1980	0.63	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$1,062,100,000	$ 19.63
1983	1,260,600,000	23.30
1982	1,175,000,000	21.56
1981	1,071,500,000	19.99
1980	999,400,000	18.54

† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 7,839,000	$ 7,146,300
Cost of sales	6,699,800	6,236,600
Expenses	475,900	408,300
Int. expense (income)	(6,000)	10,200
Other income	(14,300)	(18,500)
Income before taxes	$ 683,600	$ 509,700
Income taxes	301,900	223,100
Net Income	$ 381,700	$ 286,600

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $189,400,000 in 1984 and $171,800,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 186,700	$ 159,200
Accts. receiv., net	316,900	284,000
Gov't contracts in progress	836,300	746,300
Comm. programs in progress	1,200	21,600
*Inventories	200,700	189,400
Prepaid expenses	26,700	28,900
Current Assets	$ 1,568,500	$ 1,429,400
#Fixed assets	882,600	788,100
Invest. in unconsol. subsid.	306,100	320,700
Other assets	67,100	50,900
Acq. cost of MI Tank Prog.	210,500	247,100
Total Assets	$ 3,034,800	$ 2,836,200

Liabilities
(000's)

	1984	1983
Short-term borrowings	$ 6,000	$ 6,700
Accts. payable	436,700	407,200
Accrued salaries	196,700	173,100
Other accruals	333,900	316,000
Curr. Liabilities	$ 973,300	$ 903,000
Long-term debt	17,600	21,300
Deferred inc. taxes	852,200	546,500
Other liabilities	129,600	104,800
+ Common stock	80,100	80,100
Retained earnings	1,644,600	1,316,400
Treasury stock	(662,600)	(135,900)
Total Liabilities & Shareholders' Equity	$ 3,034,800	$ 2,836,200

* At lower of average cost or market.
# Less accumulated depreciation, depletion and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.72	7.13
%Net Income to Sales	4.87	4.01
%Net Income to Equity	35.94	22.74
Sales to Inventories	39.06	37.73
Working Capital	$ 595,200,000	$ 526,400,000
Current Ratio	1.61	1.58
Shareholders' Equity	$1,062,100,000	$1,260,600,000

General Electric Company

Fairfield, Connecticut 06431
(203) 373-2431

Officers: John F. Welch, Jr., chairman of the board & chief executive officer; Lawrence A. Bossidy, vice chairman of the board and executive officer; Edward E. Hood, Jr., vice chairmen & exec. officer; Charles V. Sheehan, corporate exec. v.p.; Michael D. Lockhart, corporate exec. office v.p.; Jack O. Peiffer, sr. v.p.-exec. management staff; Louis V. Tomasetti, exec. v.p. & sector exec.-Power Systems; James A. Baker, exec. v.p. & sector exec.; Paul W. Van Orden, exec. v.p. & sector exec.-Consumer Products; John A. Urguehart, exec. v.p. & sector executive sr. v.p.-corporate relations; Walter A. Schlotterbeck, sr. v.p., general counsel & secretary; Dennis D. Dammerman sr. v.p.-finance; Standley H. Hoch, v.p. & treasurer; Thomas R. Casey, v.p. & medical director; James J. Costello, v.p. & comptroller; Dale F. Frey, v.p.-trust investments; Fred W. Garry, v.p.-corporate engineering; Bruce O. Roberts, v.p.-corp. purchasing; Phillips S. Peter, v.p. - corp. government relations; Arthur V. Puccini, v.p.-employee relations; Roland W. Schmitt, sr. v.p.-corp. research & development; Leonard Vickers, v.p.-marketing programs; Michael A. Carpenter, v.p. & corp. business planning and development; Theodore P. LeVino-sr. v.p. & exec. manpower; Mark J. D'Arcangelo, v.p.-northeastern regional relations; R. Howard Annin, Jr., v.p.-western regional relations; Joyce Hergenhan v.p.-corporate public relations; Edward J. Skiko, v.p.-corporate information systems; W. Roger Strelow v.p.-corp. environ. programs; William C. Lester, v.p.-east central regional relations; Iver J. Petersen, v.p.-central regional relations; Cecil S. Semple, v.p.-corporate customer relations.

Directors: Lawrence A. Bossidy, Robert E. Mercer, Frank H.T. Rhodes, Andrew C. Sigler, Edward E. Hood, Jr., John F. Welch, Jr., Ralph Lazarus, Edmund W. Littlefield, Walter B. Wriston, James G. Boswell, II, Charles D. Dickey, Jr., Henry L. Hillman, Silas S. Cathcart, Henry H. Henley, Jr., Gertrude G. Michelson, Lewis T. Preston, Richard T. Baker, Lawrence E. Fouraker, Barbara Scott Preiskel.

Divisions and Subsidiaries:

Power Systems Sector
Turbines and turbine-generators, construction and engineering services, power delivery (switchgear, meters) and transformers, nuclear products and services, transportation equipment.

Construction and Engineering Services Group
    Domestic Apparatus and Engineering Services Operations
    SADE/SADELMI Construction Operations

Nuclear Energy Operations
    Nuclear Power Systems Division
    Nuclear Engineering Division
    Nuclear Fuel and Special Projects Division

Turbine Group
    Large Steam Turbine-Generator Division
    Gas Turbine Division
    Industrial and Marine Steam Turbine Division

Transportation Systems Operations
    Locomotive Marketing Division
    Locomotive Products Division

Large Transformer Division
Power Delivery Division
Electric Utility Sales Division

Services and Materials Sector
Plastics, engineered materials

Engineered Materials Group
    Silicone Products Division

Plastics Operations
    Lexan Products Division
    General Electric Plastics B.V.
    Noryl Products Division
    Specialty Plastics Division

Contractor Equipment Operations
    Apparatus Distribution Sales Division

General Electric Credit Corporation (GECC)
General Electric Supply Company Division
Information Services Division/GEISCO
Venture Investments

Technical Systems Sector
Aerospace, medical systems, mobile communications, industrial electronics, advanced microelectronics.

Aerospace Group
- Aircraft Equipment Division
- Electronic Systems Division
- Space Systems Division

Industrial Electronics Group
- Factory Automation Products Division
- Calma Company

Component Products Group
- Component Motor Division
- Electronic Components Division

Medical Systems Operations
- Medical Systems Product Management Division
- Medical Systems Sales and Service Division

Semiconductor Division
Industrial Sales Division
Mobile Communications Division

Consumer Products Sector
Major appliances, lighting products, housewares and audio products, room air conditioners, television receivers, broadcasting and cablevision.

Lighting Group
- Lamp Components Division
- Lamp Products Division
- Lighting Systems Products Division

Major Appliance Group
- Major Appliance Production Division
- Major Appliance Product Management and Marketing Division
- Major Appliance Sales and Service Division
- Major Appliance Strategic Planning and Development Operation

Video Products Division
Housewares and Audio Division

Aircraft Engine Sector
Commercial and military jet engines, naval ship propulsion, industrial power sources.

Aircraft Engine Group
- Military and Small Commercial Engine Operations
- Commercial and Military Transport Engine Operations
- Aircraft Engine Customer Relations

International Sector
Foreign multi-industry affiliates, export and licensing support, marketing support; export sales, single-industry affiliates.

International Trading Operations
Europe and Africa Operations
- Middle East/Africa Business Development Division

Andean Countries Division
Far East Area Division
Canadian General Electric Company Limited (CGE)
General Electric do Brasil S.A.
General Electric de Mexico S.A.
General Electric (USA) China Company, Ltd.

Acquisition(s):

Employer's Reinsurance Corporation
Overland Pk, Kansas

Transfer Agent(s):

General Electric Company
Securities Transfer Operation
FDR Station
P.O. Box 5339
New York, New York 10150

The First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York, Midwest*, Pacific*, Paris, Cincinnati, Philadelphia*, Boston, London

* Unlisted trading privileges.

Ticker Symbol: GE

Number of Employees:

1984	N.A.	1981	404,000
1983	340,000	1980	402,000
1982	367,000		

N.A.-Not Available

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 27,947,000	$ 2,280,000
1983	26,797,000	2,024,000
1982	26,500,000	1,817,000
1981	27,240,000	1,652,000
1980	24,959,000	1,514,000

	No. of Com. Shares †	Earn. per Share †
1984	453,680,000	$ 5.03
1983	454,768,000	4.45
1982	454,078,000	4.00
1981	455,056,000	3.63
1980	455,082,000	3.33

† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1984	$2.05	—	—
1983	1.875	—	2-for-1
1982	1.675	—	—
1981	1.575	—	—
1980	1.475	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1984	$ 12,573,000	$ 27.71
1983	11,270,000	24.78
1982	10,198,000	22.46
1981	9,128,000	20.06
1980	8,200,000	18.02

† Adjusted to reflect stock split.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales & services	$ 27,947,000	-$ 26,797,000
Cost of sales	19,460,000	18,701,000
Expenses	4,542,000	4,463,000
Other income	(989,000)	(884,000)
Interest expense	333,000	370,000
Depreciation, depletion & amortization	1,100,000	1,084,000
Bus. restructuring activities	19,000	30,000
Intangibles	126,000	—
Income before taxes	$ 3,356,000	$ 3,033,000
Income taxes	1,065,000	975,000
Minority interest	11,000	34,000
Net Income	$ 2,280,000	$ 2,024,000

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 1,859,000	$ 1,828,000
Marketable securities	514,000	677,000
Receiv., net	5,509,000	5,249,000
*Inventories	3,670,000	3,158,000
Current Assets	$ 11,552,000	$ 10,912,000
Investments	3,717,000	2,945,000
#Fixed assets	7,690,000	7,697,000
Other assets	1,771,000	1,734,000
Total Assets	$ 24,730,000	$ 23,288,000

Liabilities
(000's)

Notes payable	$ 1,047,000	$ 1,016,000
Accts. payable	1,931,000	1,993,000
Accruals	2,303,000	2,215,000
Prog. collection	2,403,000	2,551,000
Dividends payable	250,000	228,000
Accrued taxes	673,000	685,000
Curr. Liabilities	$ 8,607,000	$ 8,688,000
Long-term debt	753,000	915,000
Other liabilities	2,668,000	2,247,000
Minority interest	129,000	168,000
+Common stock	579,000	579,000
Add. paid-in capital	640,000	657,000
Retained earnings	11,667,000	10,317,000
Treasury stock	(313,000)	(283,000)
Total Liabilities & Shareholders' Equity	$ 24,730,000	$ 23,288,000

* All inventories at LIFO in U.S., FIFO outside U.S.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.01	11.43
%Net Income to Sales	8.16	7.55
%Net Income to Equity	18.13	17.96
Sales to Inventories	7.61	8.49
Working Capital	$ 2,945,000	$ 2,224,000,000
Current Ratio	1.34	1.26
Shareholders' Equity	$12,573,000	$11,270,000,000

General Instrument Corporation

Executive Offices:

767 Fifth Avenue
New York, New York 10153-0082

Administrative Offices:

225 Allwood Road
Clifton, New Jersey 07012
(201) 770-3000

Officers: Frank G. Hickey, chairman and chief executive; John A. DeVries, sr. v.p.-data systems and services; Rein Narma, sr. v.p.-components; Frederick Shuh, sr. v.p.-Broadband Communications; George E. Safiol, sr. v.p.; Richard M. Hoffman, v.p., general counsel & asst. secretary; Gerard G. Johnson, v.p. treasurer & asst. secretary. Richard H. Fuller, v.p.-digital communications systems; Paul N. Meyer, v.p.-finance and chief financial officer; Cornelius F. Sullivan, v.p. & secretary; Robert H. Davey, v.p.-operations; Edward R. Kearney, v.p.-investor relations.

Directors: Martin C. Barell*, John C. Archibald*, Harold Rapaport, Thomas L. Kempner*, Moses Shapiro*, R.S. Rosenbloom, R.N. Rosett, A.M. Stone, Frank G. Hickey*, Joe B. Cordell, Jacob E. Goldman.

* Member of the Executive Committee.

Areas of Work: The Company's major business segments are Broadband Communications, Data Systems, Semiconductor Products, and Component Products. Broadband Communications offers a variety of products and services for the cable television industry including active and passive electronics, subscriber terminals and industrial broadband communications. The primary products and services of Data Systems are data processing systems and services for the wagering and retail industries, payment processing equipment and government systems. Semiconductor Products consist of discrete and optoelectronic devices and integrated circuits, including large-scale integrated circuits and systems and hybrid assemblies. Component Products include power supplies, keyboards, relays and lamps.

General Instrument Corporation

Divisions and Subsidiaries:

Component Products

Clare Division
Chicago, Illinois (Headquarters)
Guadalajara, Mexico
Taipei, Taiwan
Tongeren, Belgium
Cambrai, France

Lamp Division
Chicago, Illinois (Headquarters)
Bury St. Edmunds, England
Chesham, England

Computer Products Division
El Paso, Texas (Headquarters)
Juarez, Mexico
Taipei, Taiwan
Tongeren, Belgium

Broadband Communications

Jerrold Distribution Systems Division
Hatboro, Pennsylvania (Headquarters)
Nogales, Mexico
Tucson, Arizona
Brea, California
Slough, England

Jerrold Subscriber Systems Division
Hatboro, Pensylvania
Slough, England
Taipei, Taiwan

Jerrold Division/Canada
Toronto, Ontario, Canada

RF and Satellite Systems Division
Tucson, Arizona
Delhi, Ontario, Canada
Nogales, Mexico
Toronto, Ontario, Canada
Clifton, New Jersey

Tocom Division
Dallas, Texas
Matamoros, Mexico

Data Systems

AmTote Division
Sparks, Maryland

AmTote Systems Division
Hunt Valley, Maryland

Business Systems Division
Hunt Valley, Maryland

Energy Management Systems
Hunt Valley, Maryland

Government Systems Division
Hicksville, New York
Westwood, Massachusetts
Fairfield, New Jersey
Norfolk, Virginia

Semiconductor Products

Microelectronics Division
Hicksville, New York (Headquarters)
Chandler, Arizona
Kaohsiung, Taiwan
Glenrothes, Scotland

Discrete Semiconductor Division
Hicksville, New York (Headquarters)
Taipei, Taiwan

Optoelectronics Division
Palo Alto, California (Headquarters)
Kuala Lumpur, Malaysia

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Boston, Midwest, Pacific, Phila-Balt-Wash, Detroit

Ticker Symbol: GRL

Sales and Earnings

	Revenues (000's)	Net Income (000's)
1985	$ 993,848	$ (9,600)
1984	910,993	36,030
1983	974,317	102,181
1982	957,059	90,029
1981	825,074	68,124

	No. of Com. Shares #	Earn. per Share #
1985	31,851,000	$ —
1984	31,065,000	1.16
1983	30,694,000	3.34
1982	29,886,000	3.01
1981	26,778,000	2.49

(Loss)
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1985	1984
Broadband Comm.	$ 341,713	$ 339,117
Data Systems	246,374	224,988
Semiconductor Products	279,623	233,496
Component Products	126,138	113,392
Total	$ 993,848	$ 910,993

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.50	—	—
1984	0.50	—	—
1983	0.48	—	—
1982	0.40	—	3-for-1
1981	0.32	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 615,911,750	$ 19.34
1984	629,267,887	19.97
1983	602,561,287	19.22
1982	509,895,747	16.51
1981	410,269,495‡	14.12

‡ After allowing for preferred stock at a liquidation preference value of $25 per share.
+ Adjusted to reflect stock split.

Income Account *

Year ended Feb. 28	2/28/85	2/29/84
Revenues	$ 993,847,791	$ 910,993,155
Cost of sales & services	833,717,391	721,553,851
Expenses	155,550,866	139,468,552
Write-offs	29,142,000	—
Interest expense	4,555,890	4,112,964
Interest income	(9,218,089)	(14,171,959)
Inc. (loss) bef. taxes	$ (19,900,267)	$ 60,029,747
Income taxes (credit)	(10,300,000)	24,000,000
Net Income (Loss)	$ (9,600,267)	$ 36,029,747

* Included in Costs and Expenses, Depreciation and Amortization: $70,457,839 in 1984 and $59,502,659 in 1983.

Assets

As of	2/28/85	2/29/84
Cash & temp. invest.	$ 71,712,475	$ 98,357,530
Accts. receiv., net	171,774,005	205,779,617
*Inventories	192,609,138	183,902,197
Deferred inc. taxes	32,629,321	10,567,109
Prepaid expenses	12,156,679	9,351,189
Current Assets	$ 480,881,618	$ 507,957,642
Investments, advances & receivables	40,824,830	37,581,497
#Fixed assets	256,911,796	252,949,290
Other assets	7,906,242	8,962,179
Intangibles	42,321,039	21,494,569
Total Assets	$ 828,845,525	$ 828,945,177

Liabilities

Accounts payable	$ 67,973,577	$ 78,929,631
Long-term debt, cur.	2,627,924	3,750,805
Accruals	87,251,019	62,633,326
Income taxes	516,842	1,003,661
Short-term borrowings	7,402,000	—
Curr. Liabilities	$ 165,771,362	$ 146,317,423
Long-term debt	35,614,298	30,896,032
Deferred income taxes	4,072,301	7,761,455
Other liabilities	7,475,814	14,702,380
+ Common stock	32,406,664	31,505,284
Add. paid-in capital	206,540,287	189,698,948
Cum. trans. adjust.	(13,626,396)	(7,347,450)
Emp. notes for stock purch.	(2,927,520)	(3,849,317)
Retained earnings	393,518,715	419,260,422
Total Liabilities & Shareholders' Equity	$ 828,845,525	$ 828,945,177

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	6.59
%Net Income to Revenues	—	3.95
%Net Income to Equity	—	5.73
Working Capital	$315,110,256	$361,640,219
Current Ratio	2.90	3.47
Shareholders' Equity	$615,911,750	$629,267,887

General Kinetics Incorporated

12300 Parklawn Drive
Rockville, Maryland 20852
(301) 881-2044

Officers: Robert C. Bartlett, chairman of the board; Louis R. Schap, president & chief exec. officer; Stanley J. Sarnowski, v.p.-finance & treasurer; Donald B. Keyser, v.p.; Ann K. Pugh, secretary.

Directors: Robert C. Bartlett, David L. Cohn, Stanley J. Sarnowski, Louis R. Schap, Sven G. Stackig, Stephen P. Goldman.

Areas of Work: Manufactures, sells and rents magnetic tape equipment; also manufactures electronic enclosures, sheet metal components, and food testing and processing systems.

Divisions:

GKI Media Division
12300 Parklawn Drive
Rockville, Maryland 10852
(301) 881-2044

Allo Metal Products Division
668 North Sheridan Street
Johnstown, Pennsylvania 15906
(814) 536-3585

DESSA Division
Chesapeake, Virginia

110 Sunray Drive
Johnstown, Pennsylvania 15906
(814) 536-3585

Numerifab Division
11205 Satellite Boulevard
Orlando, Florida 32821

Subsidiaries:

Food Technology Corporation
12300 Parklawn Drive
Rockville, Maryland 20852
(301) 881-2044

Manufactures testing, quality-control and automated processing equipment for the food and related industries.

Transfer Agent(s):

Maryland National Bank
P.O. Box 987
225 North Calvert Street
Baltimore, Maryland 21202

Stock Exchange(s): Over-the-Counter

Number of Employees:

1983	203	1980	99
1982	186	1979	80
1981	156		

Plant Footage:

1983	100,000 sq. ft.	1980	100,000
1982	100,000	1979	72,300
1981	100,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 8,004,766	$ (52,126)
1983	7,091,154	(251,294)
1982	6,748,935	75,839
1981	3,844,314	(4,626)
1980	2,820,997	68,550

	No. of Com. Shares	Earn. per Share #
1984	802,559	$ —
1983	802,559	—
1982	820,685	0.09
1981	830,241	—
1980	822,533	0.08

(Loss)

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,351,972	$ 1.68
1983	1,406,227	1.75
1982	1,668,578	2.03
1981	1,611,408	1.94
1980	1,649,262	2.01

Income Account *

Year ended May 31	1984	1983
Net sales	$ 8,004,766	$ 7,091,154
Cost of sales	6,692,641	5,900,700
Expenses	1,150,337	1,196,327
Interest expense	184,896	193,800
Other expense	29,018	51,621
Net Loss	$ (52,126)	$ (251,294)

* Included in Costs and Expenses, Depreciation and Amortization: $275,037 in 1984 and $316,783 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 77,880	$ 68,263
Accts. receiv., trade	1,162,580	837,327
Federal & state taxes	—	35,179
*Inventories	1,333,259	1,559,849
Accts. receiv.-other	9,772	17,487
Prepaid expenses	26,014	35,797
Current Assets	$ 2,609,505	$ 2,553,902
#Fixed Assets	696,794	890,176
Deposits	24,032	15,442
Cash value of life ins.	60,144	53,556
Total Assets	$ 3,390,475	$ 3,513,076

Liabilities

Notes payable	$ 591,804	$ 536,129
Accts. payable	442,326	414,033
Accruals	139,574	138,916
Accrued payroll	129,140	116,331
Accrued taxes	39,467	52,273
Deposits on contracts	5,000	32,949
Curr. Liabilities	$ 1,347,311	$ 1,290,631
Notes payable	691,192	816,218
+ Common stock	238,811	238,811
Add. paid-in capital	1,181,992	1,181,992
Retained earnings	126,381	178,507
Treasury stock	(195,212)	(193,083)
Total Liabilities & Shareholders' Equity	$ 3,390,475	$ 3,513,076

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.25 par value.

Statistical Summary

Sales to Inventories	6.00	4.55
Working Capital	$1,262,194	$1,191,042
Current Ratio	1.94	1.87
Shareholders' Equity	$1,351,972	$1,406,227

General Microwave Corporation

155 Marine Street
Farmingdale, New York 11735
(516) 694-3600

Officers: Sherman A. Rinkel, president; Bernard Grand, v.p.-engineering; Leonard Trugman, v.p.-manufacturing; Bernard Smilowitz, v.p.-research & development; Moe Wind, sr. v.p., treasurer & asst. secretary; Howard Cohen, v.p.-administration; Michael Stolzar, secretary & asst. treasurer.

Directors: Frederick Zissu, chairman; Allan Bernstein, Winton Charlop, Sherman A. Rinkel, Moe Wind, Charles E. Hocker, Leo C. Cunniff.

Areas of Work: The Company produces and sells microwave measuring and control component devices for use in radar systems and in point-to-point communication as used in aircraft, air traffic control, missiles and telephone and telemetry systems, as well as its own line of precision measuring and testing equipment for use in laboratories and production lines by manufacturers of microwave components and systems.

Division:

Microwave Division
Farmingdale, New York

Develops and manufactures PIN diode products, RF power measuring equipment, and radiation detectors.

Subsidiaries:

Micro-El Ptent Corporation
Wilmington, Delaware

General Microware Foreign Sales Corporation
Farmingdale, N.Y.

General Microwave Israel Corporation
Jerusalem, Israel

Transfer Agent(s):

Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): American

Ticker Symbol: GMW

Number of Employees:

1984	210	1981	150
1983	N.A.	1980	150
1982	N.A.		

Plant Footage:

1984	37,000 sq. ft.	1981	37,000
1983	N.A.	1980	37,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1985	$ 13,480,960	$ 1,620,832
1984	11,875,928	1,341,098
1983	9,467,795	649,060
1982	8,708,810	474,845
1981	7,207,206	108,215

	No. of Com. Shares ‡	Earn. per Share ‡
1985	1,335,816	$ 1.21
1984	1,196,137	1.12
1983	895,103	0.73
1982	888,417	0.53
1981	882,455	0.12

‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.10	—	—
1984	0.09	—	—
1983	0.08	—	—
1982	0.08	—	—
1981	0.08	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 12,008,744	$ 8.99
1984	10,490,819	8.77
1983	3,479,911	3.89
1982	2,866,608	3.23
1981	2,449,930	2.78

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Feb. 28	1985	1984
Net sales	$ 13,480,960	$ 11,875,928
Cost of sales	8,253,745	7,176,572
Expenses	3,284,773	2,820,202
Interest expense	13,053	32,537
Other income	(486,443)	(311,481)
Income before taxes	$ 2,415,832	$ 2,158,098
Income taxes	795,000	817,000
Net Income	$ 1,620,832	$ 1,341,098

* Included in Costs and Expenses, Depreciation and Amortization: $326,229 in 1985 and $281,150 in 1984.

Assets

As of Feb. 28	1985	1984
Cash	$ 420,174	$ 405,140
Short-term investments	20,739	5,228,942
Accts. receiv., net	3,569,385	2,535,747
*Inventories	3,282,373	2,442,152
Prepaid expenses	252,160	100,706
Refund. inc. taxes	10,879	104,097
Current Assets	$ 7,555,710	$ 10,816,784
#Fixed assets	4,133,414	1,126,468
Other assets	9,913,898	412,256
Total Assets	$ 21,603,013	$ 12,355,508

Liabilities

Notes payable	$ 850,000	$ —
Accts. payable	915,393	624,459
Accruals	758,121	597,468
Income taxes	189,824	—
Dividend payable	65,471	65,302
Deferred income taxe	779,000	493,000
Curr. Liabilities	$ 3,557,809	$ 1,780,229
Long-term debt	6,000,000	—
Deferred credits	36,460	84,460
+ Capital stock	13,963	13,939
Add. paid-in capital	6,576,328	6,550,471
Retained earnings	5,599,501	4,109,488
Treasury stock	(181,048)	(183,079)

General Microwave Corporation

Total Liabilities & Shareholders' Equity	$ 21,603,013	$ 12,355,508

* At cost (FIFO) or market, whichever is lower.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.92	18.17
%Net Income to Sales	12.02	11.29
%Net Income to Equity	13.50	12.78
Sales to Inventories	4.11	4.86
Working Capital	$3,997,901	$9,529,555
Current Ratio	2.12	8.40
Shareholders' Equity	$12,008,744	$10,490,819

General Motors Corporation

3044 West Grand Boulevard
Detroit, Michigan 48202
(313) 556-5000

General Motors Building
767 Fifth Avenue
New York, New York 10153
(212) 486-5000

Officers: Roger B. Smith, chairman of the board & chief executive officer; F. James McDonald, president & chief operating officer; Howard H. Kehrl, vice chairman; Donald J. Atwood, Alexander A. Cunningham, F. Alan Smith, exec v.p's; v.p.'s & group executives: Edward P. Czapor-Electrical Components Group, Elmer W. Johnson-Public Affairs Staffs Group & general counsel, Charles Katko-Truck & Bus Group, Alex C. Mair-Technical Staffs Group, David S. Potter-Power Products and Defense Operations Group, Lloyd E. Reuss-Chevrolet-Pontiac-GM of Canada Group, Robert C. Stempel-Buick-Oldsmobile-Cadillac Group, W. Blair Thompson-Mechanical Components Group, James F. Waters, Jr.-Overseas Group; v.p.'s: Betsy Ancker-Johnson-environmental activities staff, John F. Beck-international export sales, Ferdinand P.J. Beickler—passenger cars-Europe, Charles J. Brady, current engineering & manufacturing services staff, Barton Brown-Asian and African operations; Robert D. Burger-gen. mgr.-Chevrolet Motor Division, David D. Campbell, grp. dir.-operations, Chevrolet, Pontiac, GM of Canada, Charles S. Chapman-managing director-General Motors Holden's Limited, Patrick J. Colletta-group dir.-Truck & Bus Operations, John D. Debbink, materials mgmt. staff, Robert A. Dorshimer, grp.dir.-Engineering, Buick, Oldsmobile, Cadillac Group, Robert J. Eaton-advanced product & manufacturing engineering staff, John R. Edman-financial staff, Robert A. Frosch-research laboratories, John O. Grettenberger-gen. mgr.-Cadillac Motor Car Division, Donald E. Hackworth-gen. mgr.-Buick Motor Division, Eugene L. Hartwig-associate general counsel, Peter K. Hoglund-gen. mgr.-Electro-Motive Division, William E. Hoglund-president-Saturn Division, James D. Johnston-industry-government relations staff, Ludvik F. Koci-gen. mgr.-Detroit Diesel Allison Division, William W. Lane, gen. mgr.-Oldsmobile Div., Richard G. LeFauve, grp. dir.-operations, Buick, Oldsmobile, Cadillac Group, J. Michael Losh, gen. mgr.-Pontiac Motor Div., William P. MacKinnon-personnel admin. & development staff, Thomas O. Mathues, spec. assignment dir.-staff organizational studies, John P. McCormack-Latin American & South African operations, John W. McNulty-public relations staff, Donald H. McPherson-quality & reliability and service parts operations, Robert T. O'Connell, marketing & product planning staff, Irvin W. Rybicki-design staff, Robert J. Schultz, grp. dir.-engineering, Chevrolet, Pontiac, GM of Canada Group, John F. Smith, Jr.-president & gen. mgr.-General Motors of Canada Limited, Robert B. Stone, Clifford J. Vaughan-managing dir.-General Motors de Mexico S.A. de C.V., do Brasil S.A., James G. Vorhes-consumer sales, Alfred S. Warren, Jr.-industrial relations staff, Marina v.N. Whitman-economics staff, Paul H. Zalecki-associate general counsel; Courtney F. Jones-treasurer, John E. Rhame-comptroller, Diane L. Kaye-secretary.

Directors: Anne L. Armstrong, Donald J. Atwood*, Catherine B. Cleary, John T. Connor, Alexander A. Cunningham*, John D. deButts, James H. Evans, Walter A. Fallon, Charles T. Fisher, III, Marvin L. Goldberger, Robert S. Hatfield, Raymond H. Herzog, John J. Horan, Howard H. Kehrl*, F. James McDonald*, W. Earle McLaughlin, Thomas A. Murphy, Ross Perot, Edmund T. Pratt, Jr., John G. Smale, F. Alan Smith*, Roger B. Smith*, Leon H. Sullivan, Charles H. Townes.

* Member of the Executive Committee.

Areas of Work: Engaged primarily in the manufacture, assembly and distribution of motor driven products, most of which relate to transportation equipment, which are classified as automotive, nonautomotive and defense and space.

Electronic and Related Divisions:

AC Spark Plug Division
Flint, Michigan
Spark plugs; oil filters; instrument panels; fuel pumps; fuel filters; air cleaners; emission control systems; cruise control systems.

Delco Electronics Division
Kokomo, Indiana
Automotive electronics; entertainment systems; heater-air conditioning controls; military electronics; semiconductor devices; analog and digital systems; integrated circuits.

Delco Systems Operations
Santa Barbara, California
Military electronics; navigation and control systems and components for aircraft, defense, and spacecraft.

Delco Moraine Division
Dayton, Ohio
Automotive brake systems; engine bearings; powdered metal products; automatic transmission components.

Harrison Radiator Division
Lockport, New York
Car and truck radiators, defrosters, heaters, thermostats and air-conditioners; heat exchangers.

Packard Electric Division
Warren, Ohio
Automotive, appliance, marine and farm equipment, wiring systems and components; fiber optics; magnet wire.

Delco Products Division
Dayton, Ohio
Shock absorbers; windshield wiper systems; energy-absorbing bumper devices; automotive electric motors and actuators; fan clutches; emission control devices, industrial and hermetic motors and generators.

Delco Remy Division
Anderson, Indiana
Starting, generating and ignition systems switches; vacuum controls; batteries for passenger cars, trucks, buses, farm tractors and off-highway equipment.

Guide Division
Anderson, Indiana
Car, truck and tractor lamps; mirrors; finished die castings; molded plastic parts; lighting controls; stampings.

Rochester Products Division
Rochester, New York
Carburetors; steel tubing; cigarette lighters; locks, keys; emission control divises; diverter valves; fuel injectors; hydraulic and mechanical valve lifters; jet fuel nozzles; cold formed precision parts.

Stock Transfer Offices:

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

National Trust Company Limited
21 King Street, E.
Toronto, Ontario, M5C 1B3 Canada

National Trust Company Limited
1350 Sherbrooke Street, W.
Montreal, Quebec, H3G 1J1 Canada

Stock Exchange(s): New York, Boston, Cincinnati, Midwest, Phila-Balt-Wash, Pacific, Montreal, Toronto, Tokyo.

Ticker Symbol: GM

Number of Employees:

1984	748,000	1981	741,000
1983	691,000	1980	746,000
1982	657,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 83,889,900	$ 4,516,500
1983	74,581,600	3,730,200
1982	60,025,600	962,700
1981	62,698,500	333,400
1980	57,728,500	(762,500)

	No. of Com. Shares	Earn. per Share ‡
1984	317,504,133	$ 14.22
1983	315,711,299	11.84
1982	312,363,657	3.09
1981	304,804,228	1.07
1980	298,053,782	—

(Loss)
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
United States operations	$ 76,632,100	$ 66,162,100
Canadian operations	12,581,600	11,232,400
Overseas operations	11,345,500	11,955,500
Elimination of interarea sales	(16,669,300)	(14,768,400)
Total	$ 83,889,900	$ 74,581,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$4.75	—	—
1983	2.80	—	—
1982	2.40	—	—
1981	2.40	—	—
1980	2.95	—	—

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share
1984	$ 23,958,700	$ 75.46
1983	20,483,000	64.88
1982	18,003,500	57.64
1981	17,437,500	57.21
1980	17,531,000	58.81

‡ After allowing for preferred stock at stated value.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 83,889,900	$ 74,581,600
Cost of sales	70,217,900	60,718,800
Expenses	4,006,300	3,234,800
Depreciation & amortization	4,965,700	5,119,600
Other income	(1,713,500)	(815,800)
Interest expense	909,200	1,352,700
Income bef. taxes	$ 5,504,300	$ 4,971,500
Income taxes	1,805,100	2,223,800
Minority interest	(817,300)	(982,500)
Net Income	$ 4,516,500	$ 3,730,200

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 467,500	$ 369,500
Securities & deposits	8,099,900	5,847,400
Accts. & notes receiv., net	7,357,900	6,964,200
*Inventories	7,359,700	6,621,500
Prepaid expenses	428,300	997,200

Current Assets	$ 23,713,300	$ 20,799,800
Eq. in assets of nonconsol subsid.	4,603,000	4,450,800
Other invest. & assets	4,282,900	1,222,500
Stock held for incentive	144,200	56,300
#Fixed assets	17,704,300	17,661,000
‡Other assets	1,697,200	1,504,100
Total Assets	$ 52,144,900	$ 45,694,500

Liabilities
(000's)

Accts., drafts and losses payable	$ 4,743,500	$ 4,642,300
Accruals	9,607,100	9,011,500
Income taxes	3,086,000	1,255,200
Curr. Liabilities	$ 17,436,600	$ 14,909,000
Long-term debt	2,417,400	3,137,200
Capitalized leases	355,500	384,600
Other liabilities	5,971,900	4,698,200
Deferred credits	1,749,200	1,798,900
+ Preferred stock	255,600	283,600
+ + Common stock	529,200	526,200
+ + + Class E Common Stock	2,900	—
Add. paid-in capital	3,347,800	2,136,800
Retained earnings	20,796,600	18,390,500
For. curr. trans.	(717,800)	(570,500)
Total Liabilities & Shareholders' Equity	$ 52,144,900	$ 45,694,500

* At lower of cost (domestic inventories at LIFO; foreign at FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ No par value, $100 stated value.
+ + $1⅓ par value.
+ + + $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	6.56	6.67
%Net Income to Sales	5.38	5.00
%Net Income to Equity	18.65	17.96
Sales to Inventories	11.40	11.26
Working Capital	$ 6,276,700,000	$ 5,890,800,000
Current Ratio	1.36	1.40
Shareholders' Equity	$24,214,300,000	$20,766,600,000

General Signal Corporation

High Ridge Park
Box 10010
Stamford, Connecticut 06904
(203) 357-8800

Officers: David T. Kimball, chairman & chief executive officer; Edward W. Franklin, vice chairman-administration; Edward C. Prellwitz, v.p.-planning; Albert W. Buesking, v.p.-international development; George J. Demos, Glen E. Ronk, vice chairmen-operations; John T. Rossello, v.p.-human resources; Edgar J. Smith, Jr., v.p., secretary & general counsel;Theodore J. Wiedemann, v.p.-finance; J. Robert Hipps, v.p. & treasurer; Michael R. Jacqmin, v.p. & controller; Erwin Kantor, v.p.-taxes.

Directors: Nathan R. Owen*, Edward W. Franklin*, John P. Horgan*, Reginald H. Jones*, Harold J. Hudson, Jr.*, Samuel A. Casey, David T. Kimball*, Ralph E. Bailey, N. Bruce Hannay, George J. Demos, Robert A. Plane, Glenn E. Ronk.

* Member of the Executive Committee.

Energy Distribution and Control Group:

Designs, manufactures and sells a diversified range of equipment employed in the distribution, control and use of energy in electric form, as well as systems and controls for life safety and property protection.

Products include electronic instrumentation, recorders and controllers, digital computer directed and other process control systems; electric meter mountings and service entrance equipment, electrical insulating and protective materials; rigid coaxial cable, wave guides, antennas and dehydrators for high power broadcast stations, microwave links and radar installations; pole type and pad-mount distribution transformers, transformer repair service for power companies; temperature controllers and modular solid state communication control equipment; power and control transformers, and large power supplies; electric heat-treating furnaces and ovens, vacuum and gas process equipment, metal melting equipment, laboratory furnaces and ovens, explosion-proof distribution and control equipment, switchgear, high-voltage motor starters and control centers, powerhouses, and marine electrical equipment; electrical fittings, wall plates, switches, receptacles, other wiring devices; constant voltage transformers, line voltage regulators, regulated electro-magnetic and electronic power supplies and electronic controls; continuous conveyor and diffusion furnaces; scribers, bonders, and other microelectronics production equipment; solid state float rectifiers, converters, inverters, ringing and tone generators for the telecommunications industry; flourescent, incandescent and high intensity discharge lighting fixtures; systems and devices to monitor and detect such conditions as smoke, fire and unauthorized intrusion, as well as hospital communications systems, automatic personnel time recording and parking lot control systems.

Environmental and Fluid Process Controls Group:

Sells controls, systems and other specialized equipment primarily to water and wastewater treatment and industrial process markets. Products include instrumentation and controls; telemetering and supervisory control systems; primary flow elements; chemical feeders and weighers; metering pumps; valves and actuators; sludge treatment systems; wet waste disintegrators; effluent samplers; diatomite filters; mechanical mixers, aerators, flocculators; biological waste treatment systems; centrifugal, wastewater, regenerative turbine, vertical turbine and high-vacuum pumps and pump systems; specialty air pollution control equipment; consistency transmitters and mass rate meters; pressure and vacuum gauges, thermometers and needle valves; chemical additives; and corrosion control materials.

Transportation Controls Group:

Specializes in controls and equipment for rail mass transit systems and mainline railroads, airports and air traffic systems, and off-the-road mobile equipment as well as cold-forged components for automobiles and trucks. Products of the transportation controls group include cab, wayside and centralized traffic control components and systems, pushbutton interlocking controls, operating display subsystems, signaling and protective appliances, radio remote controls; pneumatic, electro-pneumatic and electro-pneumatic/hydraulic braking systems and components, propulsion/braking controls systems, transit car couplers, railway car undercarriages; radar navigation, detection and identification subsystems, aircraft navigational aids, ground weather monitoring systems and microwave telephone repeater stations; interior shipboard communication systems and propulsion controls. The group also produces high pressure devices which are used to transfer and control energy by hydraulic means including hydrostatic transmissions, steering, load sensing and other hydraulic systems, high pressure hydraulic gear pumps and motors, piston pumps and motors, directional control valves and servo controls, and cold-forged steel steering, suspension and other vehicle components.

Consumer Products Group:

Manufactures and markets a variety of electric motor-driven household appliances, primarily for floor care, as well as small electric motors for small appliances and for the power tool, marine, automotive and garden equipment markets.

Divisions and Subsidiaries:

Axel Electronics
Jamaica, New York

Cardion Electronics
Woodbury, New York

Cincinnati Time Recorder
Cincinnati, Ohio

General Railway Signal
Rochester, New York

Henschel
Newburyport, Massachusetts

Edwards
Farmington, Connecticut

Ceilcote Company
Berea, Ohio

O— Z/Gedney
Terryville, Connecticut

Regina
Rahway, New Jersey

Kinney Vacuum
Canton, Massachusetts

DeZurik
Sartell, Minnesota

Marsh Instrument
Skokie, Illinois

Mixing Equipment
Rochester, New York

Metal Forge
Columbus, Ohio

GSE/Voorlas
Carlisle, Pennsylvania

New York Air Brake
Watertown, New York

Kayex
Rochester, New York

Stock Equipment
Chagrin Falls, Ohio

Advanced Mechanization Inc.
Horsham, Pennsylvania

Circuits Processing Apparatus
Fremont, California

Leeds & Northrup Instruments
Leeds & Northrup International
Leeds & Northrup Systems
all at:
North Wales, Pennsylvania

Metallurgical Products
Warrendale, Pennsylvania

Semiconductor Systems, Inc.
San Jose, California

Arrow Engineering
Tulsa, Oklahoma

Telecommunications Technology
Sunnyvale, California

Aurora Pump
North Aurora, Illinois

BIF
West Warwick, Rhode Island

Hydreco
Kalamazoo, Michigan

Dynapower/Stratopower
Watertown, New York

Anchor/Guth
Manchester, New Hampshire

Dowzer Electric
Mt. Vernon, Illinois

Hevi-Duty Electric
Goldsboro, North Carolina

Lindberg
Chicago, Illinois

Nelson Electric
Tulsa, Oklahoma

Industrias Sola Basic
Mexico City, Mexico

Sola Electric
Elk Grove Village, Illinois

General Signal Corporation

Warren/Dielectric Communications
Livingston, New Jersey
Littleton, Massachusetts

Xynetics
Santa Clara, California

Blue M. Electric
Blue Island, Illinois

Micro Automation
Fremont, California

Tau-tron
Chelmsford, Massachusetts

Ultratech Stepper
Santa Clara, California

Transfer Agent(s):

Marine Midland Bank, N.A.
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: GSX

Number of Employees:

1984	24,129	1981	26,621
1983	23,530	1980	26,016
1982	23,049		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,786,883	$ 108,510
1983	1,574,948	89,698
1982	1,622,136	107,775
1981	1,702,455	117,132
1980	1,521,744	104,214

	No. of Com. Shares #	Earn. per Share #
1984	28,568,000	$ 3.80
1983	28,414,000	3.16
1982	28,013,000	3.84
1981	27,694,000	4.23
1980	26,009,000	4.01

# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Electronic controls & systems	$ 852,468	$ 701,255
Electronic controls & equipment	405,800	405,791
Fluid controls & equipment	528,615	467,902
Total	$ 1,786,883	$ 1,574,948

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.71	—	—
1983	1.68	—	—
1982	1.60	—	—
1981	1.48	—	—
1980	1.28	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 901,703,000	$ 31.56
1983	845,972,000	29.77
1982	804,075,000	28.70
1981	753,152,000	27.17
1980	661,731,000	24.78

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,786,883	$ 1,574,948
Cost of sales & exp.	1,240,037	1,097,143
Expenses	362,562	326,335
Interest income	(11,605)	(11,815)
Interest expense	7,434	8,473
Income before taxes	$ 188,455	$ 154,812
Income taxes	79,945	65,114
Net Income	$ 108,510	$ 89,698

* Included in Costs and Expenses, Depreciation and Amortization: $47,491,000 in 1984 and $41,881,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cert. of deposit	$ 44,065	$ 55,323
Short-term invest.	101,827	64,136
Accts. receiv., net	313,299	309,702
Contracts in progress	58,502	68,413
*Inventories	434,447	367,800
Prepaid expenses	6,130	3,399
Current Assets	$ 958,270	$ 868,773
#Fixed assets	344,948	314,106
Intangibles	91,519	93,180
Other assets	43,694	38,354
Total Assets	$ 1,438,431	$ 1,314,413

Liabilities
(000's)

Short-term borrowing	$ 14,535	$ 18,957
Accts. payable	120,278	112,862
Accruals	138,266	122,166
Income taxes	113,963	92,980
Curr. Liabilities	$ 387,042	$ 346,965
Long-term debt	96,762	75,508
Other liabilities	20,175	20,258
Deferred income taxes	32,749	25,710
+ Common stock	39,776	39,679
Add. paid-in capital	197,802	194,395
Retained earnings	692,037	633,342
Foreign currency translation adj.	(26,373)	(20,644)
Treasury stock	(1,539)	(800)
Total Liabilities & Shareholders' Equity	$ 1,438,431	$ 1,314,413

* At lower of cost (LIFO or standard costs that approximate average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.55	9.83
%Net Income to Sales	6.07	5.70
%Net Income to Equity	12.03	10.60
Sales to Inventories	4.11	4.28
Working Capital	$571,228,000	$521,808,000
Current Ratio	2.48	2.50
Shareholders' Equity	$901,703,000	$845,972,000

Genisco Technology Corporation

18435 Susana Road
Rancho Dominguez, California 90221
(213) 537-4750

Officers: Robert B. Phinizy, chairman & chief executive officer; Phillip G. Halamandaris, president & chief operating officer; William R. Esser, v.p. & president-Electronics Division; Richard P. Shively, v.p. & president-Memory Products Division; James I. Baker, v.p.-finance; John A. Calfas, secretary; Gary Nehus, controller; David A. Phipps, asst. secretary; Peter Shaw, v.p. & president-Genisco Computers Corporation.

Directors: Richard S. Farr, Martin S. Locke, Robert B. Phinizy, Alan J. Brown, Donn L. Williams, Walter E. Lotz, Jr., Wendell B. Sell, Phillip G. Halamandaris.

Divisions:

Electronics Division
18475 Susana Road
Rancho Dominguez, California 90221
(213) 537-4750

Manufactures Eldema indicator lights, EMI filter products, transducers and rotating test equipment; performs electromagnetic interference testing.

Memory Products Division
10874 Hope Street
Cypress, California 90630

Manufactures cartridge type recorders for use in extreme environments.

Subsidiaries:

Genisco Computers Corporation
3545 Cadillac Avenue
Costa Mesa, California 92626
(714 556-4916

Manufactures computer graphic display and imaging systems.

Transfer Agent(s):

Security Pacific National Bank
561 South Spring Street
Los Angeles, California 90054

Stock Exchange(s): American, Pacific

Ticker Symbol: GES

Number of Employees:

1984	422	1981	451
1983	445	1980	425
1982	489		

Plant Footage:

1984	240,000 sq. ft.	1981	190,000
1983	240,000	1980	175,000
1982	224,000		

Sales and Earnings

	Net Sales †	Net Income #
1984	$ 33,900,971	$ (1,017,198)
1983	30,196,167	1,006,762
1982	29,288,782	1,511,021
1981	23,280,373	1,236,266
1980	17,516,283	1,203,341

	No. of Com. Shares +	Earn. per Share #‡
1984	2,657,941	$ —
1983	2,638,969	0.40
1982	1,908,834	0.77
1981	1,895,369	0.63
1980	1,859,067	0.63

(Loss)
† Of continuing operations only.
# Including extraordinary gains of $185,000 ($0.09 per share) in 1980.
+ Adjusted to reflect stock split.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Computer graphic displays	$ 13,086	$ 7,846
Memory products	9,902	13,548
Electronics	10,595	8,327
Other income	318	475
Total	$ 33,901	$ 30,196

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 15,272,506	$ 5.75
1983	16,311,859	6.18
1982	7,242,917	3.79
1981	5,716,197	3.02
1980	4,163,509	2.24

+ Adjusted to reflect stock split

Income Account *

Year ended Sept 30	1984	1983
Net sales	$ 33,900,971	$ 30,196,167
Cost of sales	25,872,901	21,096,019
Expenses	10,206,925	7,643,081
Interest expense	341,776	247,741
Minority interest	(46,603)	(171,045)
Income (loss) bef. taxes	$ (2,474,028)	$ 1,380,371
Income taxes (credit)	(1,456,830)	373,609
Net Income (Loss)	$ (1,017,198)	$ 1,006,762

* Included in Costs and Expenses. Depreciation and Amortization: $1,002,763 in 1984 and $743,378 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 633,009	$ 4,974,492
Accts. receiv., net	6,923,334	5,876,211
Income taxes recv	1,444,718	238,573
*Inventories	8,151,781	6,600,116
Prepaid expenses	453,724	252,320
Current Assets	$ 17,606,566	$ 17,941,712
#Fixed assets	5,143,472	4,353,378
Marketable securities	1,201,875	1,001,875
Other assets	272,190	173,828
Total Assets	$ 24,224,103	$ 23,470,793

Liabilities

	1984	1983
Long-term debt, curr	$ 313,381	$ 389,361
Accts. payable	1,634,123	1,578,325
Accruals	658,834	477,714
Accrued payroll	1,721,244	1,407,883
Curr. Liabilities	$ 4,327,582	$ 3,853,283
Long-term debt	4,253,806	2,983,225
Deferred income taxes	370,209	291,462
Minority interest	—	30,964
+ Common stock	1,499,595	1,490,109
Add. paid-in capital	9,647,124	9,660,424
Retained earnings	4,153,903	5,171,101
Currency trans. adj	(28,116)	(9,775)
Total Liabilities & Shareholders' Equity	$ 24,224,103	$ 23,470,793

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.50 par value

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	—	4.57
%Net Income to Sales	—	3.33
%Net Income to Equity	—	6.17
Sales to Inventories	4.16	4.58
Working Capital	$13,278,984	$14,088,429
Current Ratio	4.07	4.66
Shareholders' Equity	$15,272,506	$16,311,859

GenRad, Inc.

300 Baker Avenue
Concord, Massachusetts 01742
(617) 369-4400

Officers: William R. Thurston, pres. & chief exec. officer; Charles E. Peters, Jr., treasurer & controller; Robert G. Fulks, v.p.-Advanced Technology; W. Douglas Hajjar, exec. v.p., chief operating & chief financial officer; J. Robert Held, v.p. & asst. gen. mgr.-Component Test Division & Quality Mgmt. Products; Constantine J. Lahanas, v.p.-corporate development; Harold T. McAleer, sr. v.p.-quality; Eric L. Mudama, v.p. & gen. mgr.-Service Products Division; Richard G. Rogers, sr. v.p. & gen. mgr.-Semiconductor Test Division; John L. Steele, Jr., secretary; Robert E. Anderson, v.p.-corporate marketing; Ralph P. Anderson, v.p. & gen. mgr.-Production Test Division; Brian E. Sear, v.p-new business development; Paul Coughlan, v.p. & gen. mgr.-structural test products; Clive G. Crossley, v.p.-design engineering group; John M. Hurly, gen. counsel; Glenn A. Pierce, Jr., v.p. & gen. mgr.-sales & services.

Directors: Paul Penfield, Jr., Thomas R. Piper, Earle W. Pitt, W. Hardie Shepard, William R. Thurston, Wilson Wilde, James H. Wright, Lawrence L. Mayhew

Areas of Work: Manufactures test equipment for the electronic equipment, mechanical equipment and semiconductor industries. The company's computer-based test systems, are used by electronics manufacturers to test printed circuit boards and isolate faults down to the individual component level. Electronic component test instruments indicate whether capacitors, resistors, inductors, or integrated circuits are functioning properly. Digital signal processors analyze structures and machinery. Acoustic instrumentation products analyze and measure noise, and are widely used to test compliance with industrial and environmental noise regulations.

Divisions:

Production Test Division
Concord, Massachusetts

Component Test Division
Bolton, Massachusetts

Service Products Division
Phoenix, Arizona

Design Engineering & Structural Test Products
Santa Clara, California

Semiconductor Test Division
Milpitas, California

Subsidiaries:

GenRad Ltd.
Toronto, Ontario, Canada

GenRad Ltd.
Maidenhead, Berks., United Kingdom

GenRad
Paris, France

GenRad GmbH
Munich, Germany

GenRad SpA
Milan, Italy

GenRad AG
Zurich, Switzerland

GenRad/Benelux B.V.
Best, Netherlands

Cirrus Computers Ltd.
Fareham, Hampshire, United Kingdom

Cirrus Designs Ltd.
Cheadle, Chesire, United Kingdom

Joint Venture(s):

Tel-GenRad Ltd.
Nirasaki, Japan

Transfer Agent(s):

Bank of Boston
Stockholder Services Division
Box 1865
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: GEN

Number of Employees:

1984	3,404	1981	2,699
1983	3,059	1980	2,863
1982	2,613		

Sales and Earnings

	Net Sales †	Net Income
1984	$ 249,451,000	$ 10,990,000
1983	226,611,000	19,630,000
1982	188,020,000	8,190,000
1981	169,324,000	(1,772,000)
1980*	157,669,000	11,053,000

	No. of Com. Shares +	Earn. per Share +
1984	16,253,000	$ 0.68
1983	15,758,000	1.25
1982	12,951,000	0.63
1981	11,440,000	—
1980*	11,121,000	0.99

(Loss)
* 53 weeks.
† Includes service revenues; of continuing operations only
+ Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.08	—	—
1982	0.07	—	3-for2
1981	0.05	—	—
1980	0.05	—	2-for-1

+ Adjusted to reflect stock splits

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 181,941,000	$ 11.47
1983	170,345,000	10.93
1982	98,948,000	7.37
1981	73,460,000	6.37
1980	74,431,000	6.53

+ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales & service revenues	$ 249,451	$ 226,611
Cost of sales & services	114,473	98,380
Expenses	125,617	102,951
Other expense (income)	(1,239)	809
Interest expense	2,131	1,958
Interest income	(1,545)	(3,660)
Income before taxes	$ 10,014	$ 26,173
Income taxes (credit)	(976)	6,543
Net Income	$ 10,990	$ 19,630

* Included in Costs and Expenses, Depreciation and Amortization: $9,153,000 in 1984 and $8,093,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 2,529	$ 27,683
Accts. receiv., net	81,170	75,472
*Inventories	94,250	75,257
Refund inc. tax benefits	1,340	5,053
Other curr. assets	10,770	7,720
Current Assets	$ 190,059	$ 191,185

#Fixed assets	67,991	40,061
Other assets	7,409	6,057
Total Assets	$ 265,459	$ 237,303

Liabilities
(000's)

Notes payable	$ 10,001	$ 5,129
Long-term debt, curr.	1,768	1,666
Accts. payable	14,002	19,542
Accruals	19,727	19,043
Income taxes	1,052	8,907
Curr. Liabilities	$ 46,550	$ 54,287
Long-term debt	28,963	9,178
Deferred inc. taxes	5,744	2,269
Accrued pensions	2,261	1,224
+Common stock	15,868	15,580
Add. paid-in capital	93,713	89,969
Retained earnings	78,069	68,659
Foreign curr. trans. adj.	(5,709)	(3,863)
Total Liabilities & Shareholders' Equity	$ 265,459	$ 237,303

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.01	11.55
%Net Income to Sales	4.41	8.66
%Net Income to Equity	6.04	11.52
Sales to Inventories	2.65	3.01
Working Capital	$143,509,000	$136,898,000
Current Ratio	4.08	3.52
Shareholders' Equity	$181,941,000	$170,345,000

Geotel, Inc.

185 Dixon Avenue
Amityville, New York 11701
(516) 842-2300

Officers: Eugene F. Murphy, president; William Wallace, treasurer; Marie Rorke, secretary & asst. treasurer; William J. Waymack, assistant secretary.

Directors: Herman Fialkov, Benjamin V. Wright, Jr., Eugene F. Murphy, Bernard Schniebolk, Charles Seibert, Richard L. Geiger.

Divisions:

Flight Research Division
5210 Charles City Road
Richmond, Virginia 23231
(804) 222-0163

Manufactures precision photo-instrumentation equipment. The photo-instrumentation products include systems for industrial and banking surveillance, aerial mapping, CRT and radar recordings, time lapse photographic instruments, photologging systems, as well as industrial viewers and projectors.

Plasmadyne Division
2601 Walnut Avenue
Tustin,California 92680
(714) 545-7171

Manufactures plasma spray systems for producing thermally bonded coatings of metallic, plastic and ceramic materials; plasma arc lamps; plasma welding equipment.

Telemet Division
185 Dixon Avenue
Amityville, New York 11701
(516) 842-2300

Designs and manufactures equipment and instrumentation used in the communication of video, voice and data signals. Products include wideband equalizers, splitter amplifiers, isolation amplifiers, modulators and routing switchers.

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GETE (NASDAQ)

Number of Employees:

1984	85	1981	123
1983	84	1980	115
1982	90		

Plant Footage:

1984	110,000 sq. ft.	1981	110,000
1983	110,000	1980	110,000
1982	110,000		

Sales and Earnings

	Net Sales	Net Income #
1984	$ 6,363,534	$ 236,182
1983	6,223,309	256,014
1982	6,746,736	377,322
1981	7,556,640	567,213
1980	6,926,627	1,157,998

	No. of Com. Shares	Earn. per Share # ‡
1984	3,025,176	$ 0.08
1983	3,025,176	0.08
1982	3,017,915	0.13
1981	3,017,915	0.19
1980	3,017,915	0.41

# Including extroadinary gain of $647,693 ($0.23 per share) in 1980.
‡ Based on the number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,418,675	$ 1.13
1983	3,182,493	1.05
1982	2,922,848	0.97
1981	2,545,526	0.84
1980	1,978,313	0.66

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 6,363,534	$ 6,223,309
Cost of sales	3,908,601	3,875,668
Expenses	2,126,009	1,974,649
Interest expense	—	2,798
Other income	(67,258)	(53,820)
Income before taxes	$ 396,182	$ 424,014
Income taxes	160,000	168,000
Net Income	$ 236,182	$ 256,014

* Included in Costs and Expenses, Depreciation and Amortization: $79,965 in 184 and $118,152 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 1,202,193	$ 980,392
Marketable securities	197,795	—
Accts. receiv., net	858,110	795,858
*Inventories	1,295,832	1,688,496
Prepaid expenses	61,220	50,595
Current Assets	$ 3,615,150	$ 3,515,341
#Fixed assets	244,941	263,235
Other assets	99,527	11,561
Total Assets	$ 3,959,618	$ 3,790,137

Liabilities

Accts. payable	$ 149,715	$ 177,110
Accruals	153,400	155,773
Accrued payroll	108,539	117,729
Income taxes	11,581	11,612
Deferred taxes	20,000	20,000
Customer's deposit	97,708	125,420
Curr. Liabilities	$ 540,943	$ 607,644
+Common stock	303,244	303,244
Add. paid-in capital	3,478,214	3,478,214
Deficit	(362,783)	(598,965)
Total Liabilities & Shareholders' Equity	$ 3,959,618	$ 3,790,137

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.23	6.81
%Net Income to Sales	3.71	4.11
%Net Income to Equity	6.91	8.04
Sales to Inventories	4.91	3.69
Working Capital	$3,074,207	$2,907,697
Current Ratio	6.68	5.79
Shareholders' Equity	$3,418,675	$3,182,493

Gerber Scientific, Inc.

83 Gerber Road West
South Windsor, Connecticut 06074
(203) 644-1551

P.O. Box 305
Hartford, Connecticut 06141

Officers: H. Joseph Gerber, president; Stanley Leven, sr. v.p., general counsel & secretary; David J. Logan, sr. vice president-engineering; Robert J. Maerz, sr. vice president-marketing & operations; George M. Gentile, sr. vice president-finance & treasurer.

Directors: H. Joseph Gerber, Stanley Leven, Belmont Towbin, Stanley Simon, Roger B. McCormick.

Areas of Work: Specializes in the design, manufacture, sale and service of computer-aided design and computer-aided manufacturing (CAD/CAM) products in computer-controlled drafting and photoplotting, low-cost interactive design, computerized marker making and material cutting, and sophisticated turnkey interactive graphic production systems which integrate several design and manufacturing processes. Gerber automation systems are used by a wide range of industries, including aerospace, apparel, automotive, electronics, construction and printing and sign-making.

Subsidiaries:

The Gerber Scientific Instrument Company
83 Gerber Road West
South Windsor, Connecticut 06074
(203) 644-1551

Designs and manufactures task-oriented, turnkey interactive systems which are used in high precision drafting and photoplotting. These computer controlled systems are used to automate the production of critical engineering drawings and artwork and other documentation for printed circuit boards and film page layouts for the graphic arts industry.

Gerber Garment Technology, Inc.
55 Gerber Road
South Windsor, Connecticut 06074
(203) 644-2401

Designs and Manufactures CAD/CAM systems for the layout and cutting of flexible materials such as fabrics, textiles, leather, vinyls, plastics, fiberglass and advanced composite materials. The computer aided design (CAD) systems automate sizing and arranging of pattern pieces to maximize material usage. The computer aided manufacturing systems use the data generated by the design systems to cut the materials.

Gerber Systems Technology (80% owned)
40 Gerber Road East
South Windsor, Connecticut 06074
(203) 644-2581

Interactive Manufactures design and data management systems used in computer-aided design and manufacturing (CAD/CAM) for a wide range of mechanical, electronic and manufacturing applications.

Gerber Scientific-Europe, S.A.
BD du Souverain, 100
BTE 2
1170 Brussels, Belgium

Gerber Scientific-U.K. Limited
Cumberland House
Greenside Lane
GB Bradford, West Yorkshire
8D89TQ England

Gerber Scientific GmbH
Oskar-Messter Strasse 15
D-8045 Ismaning
Munich, West Germany

Gerber Scientific Leasing, Inc.
P.O. Box 305
Hartford, Connecticut

Gerber Scientific Products, Inc.
151 Batson Drive
Manchester, Connecticut 06040
(203) 643-1515

Designs and manufactures low cost microprocessor controlled production systems and principally for the sign-making and graphics arts industries.

Affiliates:

Boston Digital Corporation (21.2% owned)
Holliston, Massachusetts

Manufactures numerically controlled machine tools.

Beta Engineering and Development, Ltd. (35% owned)
P.O. Box 98
Beer Sheeva, Israel

Designs, manufactures and markets CAD/CAM systems for sewing and decorative stitching. Also manufactures intrusion detection systems for industry and government use.

Gerber Scientific Italia S.R.L.
Via San Francesco 22
I-20020 Lainate
Milano, Italy

Gerber Scientific France S.A.R.L.
19, Avenue Leon Gambetta
F-92120 Montrouge, France

Gerber Scientific Scandinavia A. B.
P.O. Box 4080
S17104 Solna, Sweden

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut 06103

Stock Exchange(s): New York

Ticker Symbol: GRB

Number of Employees:

1984 1,750

Plant Footage:

1984	578,000 sq. ft.	1981	500,000
1983	543,000	1980	500,000
1982	500,000		

N.A.—Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 173,593,000	$ 14,677,000
1983	117,247,000	4,517,000
1982	114,756,000	3,373,000
1981	93,105,000	8,524,000
1980	74,400,000	5,781,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	10,331,000	$ 1.42
1983	9,508,000	0.48
1982	9,412,000	0.36
1981	9,419,000	0.90
1980	9,299,000	0.62

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.11	—	3-for-2
1983	0.08	—	—
1982	0.08	—	—
1981	0.073	—	2-for-1
1980	0.041	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 99,315,000	$ 9.61
1983	42,163,000	4.43
1982	38,456,000	4.09
1981	35,487,000	3.77
1980	20,597,000	2.21

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended April 30	1984	1983
Prod. sales	$ 145,946,000	$ 98,366,000
Service	27,647,000	18,881,000
Other income	2,563,000	1,035,000
Total revenues	$ 176,156,000	$ 118,282,000
Cost of sales	87,418,000	60,711,000
Expenses	60,223,000	46,171,000
Interest expense	3,506,000	4,520,000
Income before taxes	$ 25,009,000	$ 6,880,000
Income taxes	10,600,000	2,875,000
Minority interest	(268,000)	(512,000)
Net Income	$ 14,677,000	$ 4,517,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,010,000 in 1984 and $4,004,000 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 59,384,000	$ 2,746,000
Accts. receiv., net	46,924,000	42,843,000
*Inventories	40,523,000	42,176,000
Prepaid expenses	472,000	612,000
Current Assets	$ 147,303,000	$ 88,377,000
#Fixed assets	24,936,000	23,135,000
Investments	4,454,000	2,785,000
Other assets & intangibles	9,589,000	8,733,000
Total Assets	$ 186,282,000	$ 123,030,000

Liabilities

Notes payable	$ 3,296,000	$ 5,584,000
Long-term debt, curr.	1,065,000	718,000
Accts. payable	13,260,000	10,363,000
Accruals	15,657,000	9,012,000
Accrued payroll	5,413,000	2,403,000
Income taxes	14,709,000	10,065,000
Advance payments	4,950,000	5,550,000
Curr. Liabilities	$ 58,350,000	$ 43,695,000
Long-term debt	24,723,000	33,469,000
Deferred inc. taxes	2,629,000	1,834,000
Minority interest	1,265,000	1,869,000
+ Common stock	11,367,000	6,307,000
Add. paid-in capital	45,970,000	7,139,000
Retained earnings	42,539,000	28,962,000
Cumm. trans. adjust.	(561,000)	(245,000)
Total Liabilities & Shareholders' Equity	$ 186,282,000	$ 123,030,000

* At lower of average cost (which approximates FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	14.41	5.82
%Net Income to Revenues	8.45	3.82
%Net Income to Equity	14.78	10.71
Working Capital	$88,953,000	$44,682,000
Current Ratio	2.52	2.02
Shareholders' Equity	$99,315,000	$42,163,000

Gleason Corporation

(formerly The Gleason Works)
1000 University Avenue
Rochester, New York 14692
(716) 473-1000

Officers: James S. Gleason, president & chairman of the board; Derrell S. Lynch, sr. v.p.-finance & administration; Edward C. Berlinski, treasurer; Morton A. Polster, secretary & corporate counsel; Ralph E. Harper, asst. secretary & asst. corporate counsel; John F. Hasenauer, controller.

Directors: James S. Gleason, chairman; Julian W. Atwater*, Robert W. Bjork, Thomas H. Gosnell*, Alexander D. Hargrave*, Albert W. Moore, Robert A. Sherman*, Eugene Van Voorhis, Irv H. Dennen, Kenneth G. Gerg, Derrell S. Lynch.

* Member of Executive Committee.

Areas of Work: Produces a line of precision machines and associated tooling to customer specifications and needs. Provides equipment and technology for the production of bevel gears, Curvic couplings, automated machining and testing systems and other components for mechanical power transmission systems. Also performs contract manufacturing of parts and sub-assemblies, molds, dies and fresnel lenses for a variety of industrial customers.

Divisions:

Gleason Stuttgart
Stuttgart, Germany

Gleason Milano
Milan, Italy

Gleason Power Systems Division
Rochester, New York

Pennsylvania Pressed Metals, Inc.
Emporium, Pennsylvania

Mechani-Quill, Inc.
Warren, Michigan

Alliance Tool Corporation
Rochester, New York

Hackett Precision Company
Nashville, Tennessee

The Gleason Works
Rochester, New York

The Gleason Works, S.A.
Baudour, Belgium

Gleason Works Ltd.
Plymouth, England

Transfer Agent(s):

Chase Lincoln First Bank, N.A.
Rochester, New York 14603

Stock Exchange(s): New York

Ticker Symbol: GLE

Number of Employees:

1984	4,105	1981	4,600
1983	3,879	1980	4,800

Plant Footage:

1984	2,231,500 sq. ft.	1981	2,264,500
1983	2,231,500	1980	1,695,000

Sales and Earnings

	Net Sales +	Net Income
1984	$ 213,869,000	$ (655,000)
1983	163,509,000	(7,671,000)
1982	178,780,000	(9,299,000)
1981	239,849,000	8,892,000
1980	242,640,000	16,327,000

	No. of Com. Shares	Earn. per Share #
1984	5,683,800	$ —
1983	5,683,800	—
1982	5,298,748	—

1981	5,205,415	1.72
1980	5,007,415	3.26

(Loss)
+ Of continuing operations only.
# Based on average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.60	—	—
1981	0.80	—	—
1980	0.80	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 90,105,000	$ 15.85
1983	92,885,000	16.34
1982	96,422,000	18.20
1981	110,970,000	21.32
1980	105,128,000	20.99

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 213,869,000	$ 163,509,000
Cost of sales	168,100,000	131,752,000
Expenses	44,157,000	37,863,000
Interest expense	3,291,000	2,541,000
Other income	(1,523,000)	(1,259,000)
Minority interest	554,000	503,000
Loss bef. taxes	$ (710,000)	$ (7,891,000)
Income taxes (credit)	280,000	(3,862,000)
Loss from cont. oper.	$ (990,000)	$ (4,029,000)
Income (loss) from discont. oper.	335,000	(3,642,000)
Net Loss	$ (655,000)	$ (7,671,000)

* Included in Costs and Expenses, Depreciation and Amortization: $11,338,000 in 1984 and $10,875,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 4,686,000	$ 3,810,000
Accts. receiv., net	51,496,000	37,263,000
*Inventories	32,332,000	36,254,000
Recoverable inc. taxes	314,000	4,970,000
Prepaid expenses	3,524,000	3,132,000
Current Assets	$ 92,352,000	$ 85,429,000
#Fixed assets	80,044,000	76,972,000
Other assets & defer. charges	9,947,000	10,765,000
Total Assets	$ 182,343,000	$ 173,166,000

Liabilities

Notes payable	$ 2,057,000	$ 6,748,000
Long-term debt, curr.	3,219,000	4,743,000
Accts. payable	13,786,000	10,029,000
Deferred revenue	4,744,000	2,607,000
Accrued payroll	9,100,000	9,658,000
Retirement plan	796,000	1,059,000
Income taxes	1,225,000	573,000
Other curr. liab.	3,738,000	4,441,000
Curr. Liabilities	$ 38,665,000	$ 39,858,000
Accrued empl. benefits	2,226,000	1,764,000
Long-term debt	40,672,000	28,019,000
Deferred inc. taxes	—	6,039,000
Oblig. to purch. a patent	5,520,000	1,950,000
Minority interest	1,950,000	2,651,000
+ Common stock	3,205,000	5,688,000
Add. paid-in capital	5,684,000	11,354,000
Retained earnings	11,312,000	82,942,000
Currency trans. adjust.	82,287,000	(5,103,000)
Oblig. to deliver comm. stock	(7,228,000)	(1,950,000)
Treasury stock	(1,950,000)	(46,000)
Total Liabilities & Shareholders' Equity	$ 182,343,000	$ 173,166,000

* At cost (LIFO) which is less than current market value for parent co. Subsidiaries are at lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	6.61	4.51
Working Capital	$53,687,000	$45,571,000
Current Ratio	2.39	2.14
Shareholders' Equity	$90,105,000	$92,885,000

The Goodyear Tire & Rubber Company

1144 East Market Street
Akron, Ohio 44316
(216) 794-2121

Officers: Robert E. Mercer, chairman & chief executive officer; Tom H. Barrett, president & chief operating officer; Ib Thomsen, vice-chairman, James R. Glass, Jacques R. Sardas, James A. Bailey, Westi Hansen, Stanley J. Mihelick, F. Vincent Prus, executive v.p.'s; Joseph C. Graden, Carl E. Snyder, William L. Newkirk, Robert W. Milk, Frederick J. Kovac, William R. Miller, Frank R. Tully, Richard A. Davies, Hoyt M. Wells, Robert M. Hehir, Douglas F. Hill, Thomas E. Wightman, George S. Lenox, Earl W. Dahl, Dennis E. Dick, James W. Barnett, Richard G. Pruett, Jr., v.p.'s; Frederick S. Myers, v.p., general counsel & secretary; Donald R. Kronenberger, v.p. & treasurer; James E. MacDonald, v.p. & comptroller; John Davies, John M. Ross, Patricia A. Kemph, asst. secretaries; Robert B. Scharlotte, Oren G. Shaffer, Joseph H. Gilchrist, Robert M. Gossett, H. Jay Elliott, George E. Strickler, asst. comptrollers; Clifford R. Brown, Richard E. Galloway, asst. treasurers.

Directors: Robert H. Platt*, Lloyd B. Smith*, Philip O. Geier, Jr., Edwin D. Dodd*, Romulo O'Farrill, Jr., H. Guyford Stever, Jacques R. Sardas, Ib Thomsen, Charles J. Pilliod, Jr.*, Robert E. Mercer*, Gertrude G. Michelson*, W. Howard Fort*, William C. Turner, James R. Glass*, Steven A. Minter, F. Vincent Prus, Tom H. Barrett*, Gale L. Galloway.

* Member of the Executive Committee.

Areas of Work: The company's electronic activities are conducted by its subsidiary, Goodyear Aerospace Corporation. Products include uranium enrichment centrifuge manufacturing for nuclear power applications, weapons systems which utilize miniaturized digital computers and micro-processors for underseas warfare as well as missile guidance. Also involved in the improvement of existing airborne radar systems and the manufacture of a radar recording device for use in NASA's space shuttle program.

Electronic Subsidiary:

Goodyear Aerospace Corporation
1210 Massillon Road
Akron, Ohio 44306
(216) 796-2121

Transfer Agent(s):

National City Bank
P.O. Box 92301-N
Cleveland, Ohio 44101

Manufacturers Hanover Trust Company
450 W. 33rd St.
New York, New York 10001

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: GT

Number of Employees:

1984	133,271	1981	137,982
1983	128,760	1980	144,452
1982	131,096		

Sales and Earnings

	Net Sales (000's)	Net Income + (000's)
1984	$ 10,240,800	$ 411,000
1983	9,735,800	305,500
1982	9,589,200	329,800
1981	10,323,500	368,400
1980	9,300,300	312,400

	No. of Com. Shares	Earn. per Share ‡ +
1984	106,492,709	$ 3.87
1983	105,425,079	3.06
1982	98,866,612	3.34
1981	97,056,843	3.78
1980	96,435,863	3.25

+ Including extraordinary credit of $35,100,000 ($0.35 per share) in 1983, $17,200,000 ($0.18 per share) in 1982, $16,400,000 ($0.17 per share) in 1981 and $23,978,000 ($0.25 per share) in 1980.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
New tires & tubes	$ 6,218,800	$ 5,959,400
Related transportation products	1,428,700	1,341,900
Industrial rubber, chem. & plast. prod.	1,137,900	974,100
Other prod. & svcs.	794,000	698,600
Gas & oil	661,400	761,800
Total	$ 10,240,800	$ 9,735,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.50	—	—
1983	1.40	—	—
1982	1.40	—	—
1981	1.30	—	—
1980	1.30	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 3,171,300	$ 29.78
1983	3,016,200	28.61
1982	2,777,200	28.09
1981	2,647,100	27.27
1980	2,647,500	27.45

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 10,240,800	$ 9,735,800
Other income	87,200	63,500
Total Income	$ 10,328,000	$ 9,799,300
Cost of sales	8,099,200	7,684,100
Expenses	1,378,500	1,333,000
Interest expense	127,300	117,300
Plant closures	(9,800)	73,800
For. curr. trans. loss	45,800	55,600
Minority interest	6,400	6,400
Income before taxes	$ 680,600	$ 529,100
Income taxes	269,600	258,700
Net Income	$ 411,000	$ 270,400
Extraordinary credit	—	35,100
Net Income & extraordinary credit	$ 411,000	$ 305,500

* Included in Costs and Expenses, Depreciation and Depletion: $309,000 in 1984 and $296,700,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 143,400	$ 111,100
Accts. & notes receiv., net	1,370,100	1,527,400
*Inventories	1,333,400	1,218,900
Prepaid expenses	53,600	63,000
Current Assets	$ 2,900,500	$ 2,920,400
#Fixed assets	3,036,700	2,819,200
Other assets	257,100	245,900
Total Assets	$ 6,194,300	$ 5,985,500

Liabilities
(000's)

Long-term debt, curr	$ 38,800	$ 41,700
Accts. payable	582,500	593,400
Accrued payroll	298,400	281,100
Income taxes	288,900	257,400
Short-term debt	157,400	154,600
Other curr. liab	192,400	204,000
Curr. Liabilities	$ 1,558,400	$ 1,532,200
Long-term debt and capital lease oblig	656,800	665,200
Other liabilities	293,900	296,500
Minority interest	65,000	61,500
Deferred inc. taxes	448,900	413,900
+ Common stock	92,500	91,500
Add. paid-in capital	613,600	589,400
Retained earnings	2,931,100	2,678,800
Foreign currency trans. adj	(465,900)	(343,500)
Total Liabilities & Shareholders' Equity	$ 6,194,300	$ 5,985,500

* At lower of cost (LIFO or average) or market
# Less accumulated depreciation
+ No par value

Statistical Summary

%Income bef. Taxes to Sales	6.65	5.43
%Net Income to Sales	4.01	2.78
%Net Income to Equity	12.96	8.96
Sales to Inventories	7.68	7.99
Working Capital	$ 1,342,100	$1,388,200,000
Current Ratio	1.86	1.91
Shareholders' Equity	$3,171,300,000	$3,016,200,000

Gould Inc.

10 Gould Center
Rolling Meadows, Illinois 60008
(312) 640-4000

Officers: James McDonald, president & chief operating officer; William T. Ylvisaker, chairman of the board & chief executive officer; David Simpson, vice chairman of the board; George P. Millington, Jr., vice chairman of the board & chief administrative officer; Joseph E. Rowe, vice chairman & technical officer; John A. Blaeser, exec. v.p.-industrial automation systems; Richard P. Abraham, exec. v.p.-electronic components; Henry J. Peppers, exec. v.p.-defense systems; Harry A. Caunter, exec. v.p.-instrument systems; Charles M. Brennan, III, sr. v.p. & chief financial officer; J. Richard Iverson, sr. v.p.-government marketing; Richard L. Williams, III, sr. v.p.-administration & general counsel; Jess R. Gift, v.p.; Richard L. Heggelund, v.p.-planning & financial services; Richard D. Kemplin, v.p.-corporate communications; George W. Welsh, v.p.-corporate development; C. David Ferguson, group v.p.-materials and components; Michael I. Miller, v.p. & treasurer; Robert M. Penn, group v.p.-semiconductors; Robert J. Aplin, group v.p.-medical products; C. Shelton James, group v.p.-information systems; Peter R. Strong, group v.p.-test & measurement; Jerry W. Gaskin, v.p. & controller; Nancy R. Jack, corp. secretary.

Directors: William T. Ylvisaker*, chairman; Roy D. Chapin, Jr., Daniel J. Donahue*, W. John Driscoll, Frank L. Hereford, Jr., Howard M. Love, George P. Millington, Jr.*, Keith R. Potter*, Louis H. Roddis, Jr., John P. Schroeder, David Simpson*, A.A. Sommer, Jr.; Richard J. Hanschen, Patrick G. Ryan*, Charles M. Brennan, III, H. Chapman Rose, James F. McDonald.

* Member of the Executive Committee.

Areas of Work: Develops, manufactures and markets electronics-based systems, products and components for key high-growth worldwide markets; information systems, industrial automation, instrument systems, defense systems, semiconductors and other electronic components.

Divisions and Subsidiaries:

Electronic Systems:

Imaging & Graphics
San Jose, California
Manufactures a broad line of digital imaging and graphics systems used in medical imaging, publishing, remote sensing, CAD, CAM, and animated graphics.

Motion Control
2701 North Green Bay Road
Racine, Wisconsin 55304
(414) 637-6591
Manufactures and distributes high performance motion control systems.

Industrial Controls Division

Measurement Systems Division

Programmable Control Division
Andover, Massachusetts
Designs and manufactures programmable controllers.

Computer Systems Division
Fort Lauderdale, Florida
(305) 587-2900
Produces digital minicomputers for research, industrial process and control, for generation and distribution of electrical power and for exploration and development of new fuel and energy sources.

Motion Control
Racine, Wisconsin
Manufactures single and three phase SCR controllers, permanent magnet DC servo motors and electronic tracing systems.

Instrument Systems:

Design & Test Systems Division
Medical Products Division
Recording Systems Division

Electronic Components:

Micro Power Products Division
Gould AMI
Dexcel Division
Circuit Protection Division

Foil Division
17000 St. Clair Avenue
Cleveland, Ohio 44110
(216) 481-7200

Defense Systems:

Advanced Technology Center
Defense Electronics Division
NavCom Systems Division
Ocean Systems Division
Systems & Simulation Division
Systems Protection Division
National Airspace Systems Division

Transfer Agent(s):

Morgan Guaranty Trust of New York
23 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Midwest

Ticker Symbol: GLD

Number of Employees:

1984	19,603	1981	20,561
1983	20,651	1980	18,256
1982	19,976		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 1,399,400	$ 17,800
1983	1,335,400	64,100
1982	1,257,000	92,800
1981	1,139,500	103,500
1980	942,900	78,400

	No. of Com. Shares	Earn. per Share ‡
1984	43,639,000	$ 0.40
1983	44,705,000	1.42
1982	43,540,000	2.15
1981	42,691,000	2.33
1980	41,742,000	1.83

+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Electronic systems	$ 414,900	$ 418,100
Electronic prods	180,300	163,900
Defense systems	394,700	347,900
Electronic components	405,600	401,200
General corp.	3,900	4,300
Total	$ 1,399,400	$ 1,335,400

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.68	—	—
1983	1.72	—	—
1982	1.72	—	—
1981	1.72	—	—
1980	1.72	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 854,700,000	$ 19.59
1983	885,100,000	19.80
1982	887,300,000‡	20.34
1981	877,600,000‡	20.50
1980	855,700,000‡	20.42

‡ After allowing for preferred stock at stated value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net revenues	$ 1,399,400	$ 1,335,400
Cost of sales	856,900	793,000
Expenses	438,300	441,700
Interest expense	500	2,400
Other income	(13,200)	(19,100)
Income before taxes	$ 116,900	$ 117,400
Income taxes	27,600	38,200
Inc.-cont. oper.	$ 89,300	$ 79,200
Loss - disc. oper.	(71,500)	(15,100)
Net Income	$ 17,800	$ 64,100

* Included in Costs and Expenses, Depreciation: $74,600,000 in 1984 and $61,800,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable secur.	$ 8,000	$ 3,700
Assets of discont. oper.	33,600	116,400
Accts. receiv., net	213,500	227,100
*Inventories	223,400	221,100
Other assets	135,000	117,600
Current Assets	$ 613,500	$ 685,900
Investments & other assets	261,800	153,300
#Fixed assets	478,100	425,200
Assets of discont. oper.	25,400	140,700
Intangibles	74,300	82,600
Total Assets	$ 1,453,100	$ 1,487,700

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 41,300	$ 90,400
Accts. payable	107,700	102,200

Accrued payroll	46,100	44,500
Accruals	70,400	71,900
Income taxes	14,700	10,400
Curr. Liabilities	$ 280,200	$ 319,400
Long-term debt	253,200	229,600
Deferred inc. taxes	28,300	30,300
Deferred credits	36,700	23,300
+Common stock	187,100	187,100
Add. paid-in capital	261,000	261,200
Retained earnings	521,000	533,800
Treasury stock	(81,300)	(55,600)
Trans. adjust.	(33,600)	(41,400)
Total Liabilities & Shareholders' Equity	$ 1,453,100	$ 1,487,700

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $4 par value.

Statistical Summary

%Net Income to Equity	2.08	7.24
Sales to Inventories	6.26	6.04
Working Capital	$333,300,000	$366,500,000
Current Ratio	2.19	1.14
Shareholders' Equity	$854,700,000	$885,100,000

Graphic Scanning Corp.

329 Alfred Avenue
Teaneck, New Jersey 07666
(201) 837-5100

Officers: Barry Yampol, chairman of the board; William S. Wheatley, Jr., president & chief financial officer; Alfred K. Ganschow, v.p.-operations; Richard Sherwin, v.p.-marketing; Robert Slodowitz, v.p.-corporate & financial development; Ronald P. Vicari, v.p.-engineering; Alan Rainbeau, secretary; Edward R. Busch, v.p. & secretary-Switchco.

Directors: Barry Yampol, chairman; Frederick Galland, Nathan Bellow, Arthur Radin, Stanley Itskowitch.

Business Activities: The Company provides specialized data and message processing and record and data communications services; operates radio paging, two-way mobile radio telephone and other related services; and sells communications systems and related devices. Through its 76% owned subsidiary, Switchco, Inc., the Company is engaged in the design, development and manufacture of complex, computer-based, software and hardware controlled communications switching systems.

Subsidiaries:

Graphnet, Inc.
Operates a computer controlled record and data communications network throughout the 48 contiguous states.

Digital Paging Systems, Inc.
GSC Systems Development Corp.
Radio Relay Corp. - Delaware
Spectrum Communications & Electronics Corp.
Switchco, Inc.

Transfer Agent(s):

Bank of New York
90 Washington Street
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GSCC (NASDAQ)

Number of Employees:

1984	N.A.	1982	1,830
1983	2,034	1981	1,520

Plant Footage:

1984	N.A.	1982	75,000
1983	108,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income
1984	$ 139,516,945	$ 22,840,000
1983	114,455,000	(19,371,000)
1982	89,424,000	(661,000)
1981	65,018,000	12,391,000
1980	43,268,000	2,019,000

	No. of Com. Shares #	Earn. per Share #
1984	34,018,637	$ —
1983	33,968,384	—
1982	33,775,736	—
1981	28,494,710	0.43
1980	25,645,530	0.08

(Loss)
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1
1983	—	—	—
1982	—	—	5-for-2
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 51,039,021	$ 1.50
1983	72,770,302	2.14
1982	90,653,524	2.68
1981	51,664,944	1.81
1980	30,093,215	1.17

# Adjusted to reflect stock splits.

Income Account

Year ended June 30	1984	1983
Net sales & services	$ 132,879,720	$ 96,711,201
Other income	6,637,225	17,744,163
Total Income	$ 139,516,945	$ 114,455,364
Cost of sales	65,574,469	51,523,645
Expenses	58,612,673	50,845,143
Depreciation & amortization	21,304,077	16,793,410
Interest expense	15,728,103	14,785,094
Loss before taxes	$ (21,702,377)	$ (19,491,928)
Income taxes (credit)	1,138,000	(120,475)
Net Loss	$ (22,840,377)	$ (19,371,453)

Assets

As of June 30	1984	1983
Cash	$ 16,271,771	$ 11,489,783
Comm. paper	13,511,680	59,135,505
Marketable securities	528,897	12,640,733
Accts. receiv., net	32,735,648	27,398,458
Other current assets	1,794,086	1,412,599
Current Assets	$ 64,842,082	$ 112,077,078
Notes receivable	1,553,874	1,824,325
Intangibles	22,809,696	21,948,022
Deferred exp.	24,648,467	21,223,451
#Fixed assets	92,917,809	83,655,222
Other assets	13,299,254	3,388,214
Patents	7,361,782	7,820,059
Total Assets	$ 227,432,964	$ 251,936,371

Liabilities

Bank borrowings	$ 20,000,000	$ 15,842,105
Loans payable	3,000,000	—
Long-term debt, curr. outstanding	13,800,321	13,680,731
Accts. payable and accruals	20,573,576	26,036,146
Income taxes	273,059	307,845
Curr. Liabilities	$ 57,646,956	$ 55,866,827
Long-term debt	111,904,723	117,603,943
Deferred inc. taxes	1,344,328	1,059,328
Other liabilities	2,013,731	1,072,856
Minority interest	3,484,205	3,563,115
+ Common stock	352,790	351,164
Add. paid-in capital	72,725,029	71,617,559
Retained earn. (deficit)	(21,181,218)	1,659,159
Treasury stock	(857,580)	(857,580)
Total Liabilities & Shareholders' Equity	$ 227,432,964	$ 251,936,371

# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

Working Capital	$ 7,195,126	$56,210,251
Current Ratio	1.12	2.01
Shareholders' Equity	$51,039,021	$72,770,302

Groman Corporation

54809 County Road 17
Elkhart, Indiana 46516
(219) 295-2466

Officers: Paul G. Richards, president & chief exec. officer; D. Wayne Mackeben, exec. v.p. & secretary; Donald J. Ciancio, corp. controller & asst. secretary.

Directors: Paul K. Rhoads*, Paul G. Richards*, Horace N. Rowe, Gordon Paul Smith*, D. Wayne Mackeben.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Porcelain Products Co.
225 North Patterson Street
Carey, Ohio 43316
(419) 396-7621
Manufactures wet and dry process electrical porcelain and transformer components, and markets pole line hardware.

Rowe Industries Division
6225 Benore Road
P.O. Box 6877
Toledo, Ohio 43612
(419) 729-9761
Manufactures high voltage connectors, corona free cable assemblies, and Hi-Temp wire.

Mid-American Electronics Corporation
11555 Harter Drive
Middlebury, Indiana 46540
(219) 825-9461
Manufactures wire harnesses, R.V. power supply cords, connector assemblies and flat conductors.

Knox Porcelain Corporation
2706 Mynders Avenue
Knoxville, Tennessee 37921
(615) 523-8157
Manufactures wet and dry process electrical porcelain and transformer components.

Inca Plastics, Inc.
11555 Harter Drive
Middlebury, Indiana 46540
(219) 825-9461
Produces plastic tanks and custom molded plastic products by rotational casting.

Transfer Agent(s):

American National Bank and Trust Company
of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: GROM (NASDAQ)

Number of Employees:

1984	495	1982	420
1983	425	1981	420

Plant Footage:

1984	487,000 sq. ft.	1981	425,500
1983	440,000		

Sales and Earnings

	Net Sales +	Net Income‡
1984	$ 35,825,091	$ 2,554,397
1983	28,726,674	1,380,189
1982	22,756,641	938,715
1981	24,981,000	579,321
1980	22,663,000	89,493

	No. of Com. Shares	Earn. per Share ‡
1984	1,591,680	$ 1.61
1983	1,591,682	0.90
1982	1,457,682	0.64
1981	1,462,117	0.39
1980	1,534,003	0.06

+ Of continuing operations only.
‡ Including extraordinary gains of $23,100 ($0.02 per share) in 1983, $184,560 ($0.13 per share) in 1982 and $116,000 ($0.08 per share) in 1981.

Revenues By Line of Business

	1984	1983
Electrical porcelain prods.	$ 17,243,381	$ 14,012,374
Plastics	4,639,921	3,663,552
Electrical connectors	13,941,789	11,050,748
Total	$ 35,825,091	$ 28,726,674

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 12,444,767	$ 7.82
1983	9,890,000	6.21
1982	7,692,000	5.28
1981	6,763,000	4.63
1980	6,304,000	4.11

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 35,825,091	$ 28,726,674
Cost of sales	24,209,961	20,039,067
Expenses	6,551,141	5,852,871
Gain on purchase of deben.	(7,500)	—
Interest expense	359,394	324,984
Interest income	(194,330)	(168,395)
Other income	(10,852)	(20,942)
Income before taxes	$ 4,917,277	$ 2,699,089
Income taxes	2,370,000	1,342,000
Net Income	$ 2,547,277	$ 1,357,089
Extraord. gain	7,120	23,100
Net Income & extraord. gain	$ 2,554,397	$ 1,380,189

* Included in Costs and Expenses, Depreciation and Amortization: $1,046,732 in 1984 and $874,431 in 1983.

Assets

As of Nov. 30	1984	1983
Cash	$ 1,986,079	$ 2,354,834
Trade accts. receivable	4,623,601	3,794,591
*Inventories	7,269,833	6,665,442
Deferred income taxes	230,000	822,000
Prepaid expenses	194,654	194,481
Current Assets	$ 14,304,167	$ 13,831,348
#Fixed assets	6,882,137	5,254,297
Other assets	965,934	713,012
Total Assets	$ 22,152,238	$ 19,798,657

Liabilities

Long-term debt, curr.	$ 451,983	$ 314,828
Accts. payable & advances	1,842,053	2,315,532
Emp. compens. & commissions	1,198,240	1,271,775
Accruals	1,042,128	1,084,520
Income taxes	646,576	1,152,750
Curr. Liabilities	$ 5,180,980	$ 6,139,405
Long-term debt	4,359,491	3,704,862
Deferred inc. taxes	167,000	64,000
+ Common stock	1,683,949	1,683,949
Add. paid-in capital	1,989,561	1,989,561
Retained earnings	8,961,289	6,406,892
Treasury stock	(190,032)	(190,012)
Total Liabilities & Shareholders' Equity	$ 22,152,238	$ 19,798,657

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.73	9.40
%Net Income to Sales	7.11	4.72
%Net Income to Equity	20.53	13.72
Sales to Inventories	4.93	4.31
Working Capital	$ 9,123,187	$7,691,943
Current Ratio	2.76	2.25
Shareholders' Equity	$12,444,767	$9,890,390

Grumman Corporation

1111 Stewart Avenue
Bethpage, New York 11714
(516) 575-0574

Officers: John C. Bierwirth, chairman of the board; Joseph G. Gavin, Jr., president; John F. Carr, vice chairman of the board; Robert G. Freese, sr. v.p.-finance & treasurer; George L. Brown, v.p.; Nat P. Busi, v.p. & controller; John J. Carroll, v.p.-community affairs; Howard J. Dunn, Jr., v.p.-audit; Thomas L. Genovese, v.p. & general counsel; Weyman B. Jones, v.p.-public affairs; Rolf J. Larson, v.p.; Ronald B. Peterson, president-Vehicle & Marine Division; Robert W. Bradshaw, v.p. & secretary; Daniel F. Huebner, sr. v.p.-marketing & developing; Robert J. Myers, sr. v.p.-corporate services; Richard A. Schueing, v.p.-corporate research center; George E. Kinnear, v.p.-Washington Operations; Edward B. Jacobs, William R. Parmentier, Jr., William Wachino, Jr., asst. treasurers; John E. Galligan, Evelyn Capelluto, asst. secretaries.

Directors: John C. Bierwirth, chairman; Kenneth S. Axelson, Ellis L. Phillips, Jr.*, George M. Skurla, Archie E. Albright, Joseph G. Gavin, Jr.*, John F. Carr, Robert G. Freese, James A. Linen, Lucy W. Benson*, John T. Sargent, Orville L. Freeman*, Edward W. Brooke.

* Member of the Executive Committee.

Areas of Work: Manufactures military aircraft, spacecraft, boats and truck bodies, fire apparatus, buses, and solar and wind energy systems. Also provides services in the field of computer programming.

Divisions:

Aircraft Systems Division

Aerostructures Division

Data Systems Division

Electronics Systems Division

St. Augustine Division

Technical Services Division

Vehicle And Marine Division

Transfer Agent(s):

Manufacturers Hanover Trust Company
P.O. Box 24935
Church Street Station
New York, New York 10249

Stock Exchange(s): New York, Midwest, Pacific, Phila-Balt-Wash, Boston

Ticker Symbol: GQ

Number of Employees:

1984	30,866	1981	28,600
1983	28,800	1980	27,800
1982	27,300		

Sales and Earnings

	Net Sales *	Net Income
1984	$2,603,639,000	$ 108,418,000
1983	2,254,778,000	110,746,000
1982	2,056,673,000	32,600,000
1981	1,788,075,000	20,486,000
1980	1,558,641,000	30,668,000

	No. of Com. Shares +	Earn. per Share #
1984	28,616,065	$ 3.62
1983	28,146,531	3.82
1982	23,551,122	1.17
1981	20,756,970	0.73
1980	20,061,546	1.18

* Including other income, of continuing operations only.
+ Adjusted to reflect stock split.
# Based on the weighted average number of shares outstanding, adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Aircraft and space	$ 2,350,753	$ 2,045,729
Special vehicles	235,022	150,648
Services and other	185,993	187,149
Intersegment elim.	(168,129)	(128,748)
Total	$ 2,603,639	$ 2,254,778

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.925	—	—
1983	0.85	—	2-for-1
1982	0.725	—	—
1981	0.70	—	—
1980	0.625	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 543,611,000	$ 19.00
1983	452,402,000	16.07
1982	315,381,000	13.39
1981	265,327,000	12.78

‡ After allowing for preferred stock at stated value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 2,557,807	$ 2,220,162
Other income	45,832	34,616
Total income	$ 2,603,639	$ 2,254,778
Cost of sales	2,256,309	1,944,279
Expenses	152,680	114,580
Interest expenses	15,732	13,173

Grumman Corporation

		1984		1983
Income before taxes	$	178,918	$	182,746
Income taxes		70,500		72,000
Net Income	$	108,418	$	110,746

* Included in Costs and Expenses, Depreciation and Amortization: $44,653,000 in 1984 and $34,096,000 in 1983.

Assets
(000's)

As of Dec. 31		1984		1983
Cash	$	29,021	$	17,731
Cert. of deposit		245,773		62,453
Accts. receiv., net		271,403		236,959
*Inventories		447,000		453,460
Prepaid expenses		10,105		6,926
Current Assets	$	1,003,302	$	777,529
Contracts receiv.		44,604		31,249
#Fixed assets		308,892		212,191
Other assets & defer. charges		88,407		66,734
Total Assets	$	1,445,205	$	1,087,703

Liabilities
(000's)

		1984		1983
Long-term debt, curr.	$	12,324	$	11,347
Accts. payable		106,079		109,422
Accruals		61,660		56,585
Def. inc. taxes		155,531		61,639
Prog. payments & customer deposits		17,525		5,705
Other liabilities		93,196		59,669
Curr. Liabilities	$	446,315	$	304,367
Long-term debt		236,913		64,910
Def. inc. taxes		157,335		201,675
Other liab.		15,925		14,230
+ Preferred stock:				
Redeemable		44,995		50,000
Non-redeemable		111		119
+ Common stock		188,810		174,477
Retained earnings		354,801		277,925
Total Liabilities & Shareholders' Equity	$	1,445,205	$	1,087,703

* At lower of cost (average, FIFO and LIFO) or realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	6.99	8.23
%Net Income to Sales	4.24	4.99
%Net Income to Equity	19.94	24.47
Sales to Inventories	5.72	4.90
Working Capital	$556,987,000	$473,162,000
Current Ratio	2.25	2.55
Shareholders' Equity	$543,722,000	$452,521,000

GTE Corporation

One Stamford Forum
Stamford, Connecticut 06904
(203) 965-2000

Officers: Theodore F. Brophy, chairman & chief exec. officer; James L. Broadhead, sr. v.p. & president-GTE Communication Services; Edward C. Schmults, sr. v.p. & gen. counsel; Allan L. Rayfield, sr. v.p. & president-Diversified Products and Services; Charles R. Lee, sr. v.p.-finance; Allan N. Stewart, v.p.-marketing; C. Edward C. MacEwen, v.p.-corporate communications; James L. Johnson, sr. v.p. & president-GTE Telephone Operating Group; Bruce Carswell, sr. v.p.-human resources; Robert J. Gressens, president-GTE International; Samuel F. Shawhan, v.p.-government affairs; Claude A. Burleson, v.p.-taxes; Stephen E. Frank, v.p. & treasurer; Dorick V. Mauro, v.p. & controller; Donald A. Mitchell, v.p.-planning & development; D. Otis Wolkins, v.p.-quality services.

Directors: Marvin A. Asnes, James R. Barker, Theodore F. Brophy, Maurice F. Granville*, T. Justin Moore, Jr., Sandra O. Moose, S. Bruce Smart, Jr., Gordon T. Wallis*, Richard W. Jones*, John H. Page, James W. Walter*, James L. Broadhead, Allen L. Rayfield, James L. Johnson.

* Member of the Executive Committee.

Areas of Work: GTE has three core businesses: telecommunications, lighting products and precision materials. In telecommunications, the corporation provides local telphone service in portions of 31 states, two Canadian provinces and the Dominican Republic. Long-distance telephone service is offered through GTE Sprint and worldwide data communications through GTE Telenet. Telecommunications systems and services and Sylvania lighting products and precision materials are marketed in the United States and 40 other countries.

Divisions:

GTE Telephone Operating Group
Stamford, Connecticut

Telephone Companies
Provides local telephone service to communities in 31 states, British Columbia, Quebec, and the Dominican Republic.

GTE Directories
Des Plaines, Illinois
Sells Yellow Pages advertising and publishes telephone directories.

GTE Mobilnet
Houston, Texas
Provides cellular mobile radio telephone service.

GTE Diversified Products and Services Group
Stamford, Connecticut

GTE Consumer Communications Products
Stamford, Connecticut
Markets residential and small office products such as single-line telephones, data equipment, work stations and peripherals.

GTE Communications Systems
Phoenix, Arizona
Supplies lines of communications equipment, systems and support services, including digital switching and PABX systems; transmission equipment, and residential and business telephone products.

Government Systems Group
Waltham, Massachusetts
Reconnaissance systems; command, control and communications systems; tactical telephone switching networks; laser and electro-optical devices, lithium battery power systems, and satellite earth stations.

GTE Communications Services Group
Stamford, Connecticut

GTE Sprint
Burlingame, California
Operates third largest long-distance telephone system in the United States. Sprint also provides service to Australia, the United Kingdom, Guam, Puerto Rico, the U.S. Virgin Islands, Taiwan, Barbados, and major regions of Canada.

GTE Spacenet
McLean, Virginia
Operates a nationwide satellite communications system.

GTE Telenet
Vienna, Virginia
Operates nationwide data communications network utilizing "packet-switching"; also provides Telemail® service and markets medical and financial information services.

GTE Lighting Products
Danvers, Massachusetts
Manufactures more than 6,000 types of Sylvania lamps. Also produces lighting products, lamp fixtures and related products.

GTE Precision Materials
Danvers, Massachusetts
Manufactures metal, plastic and ceramic materials, parts and components; specialty and refractory metals; high-purity chemicals and electronic and electrical assemblies.

Transfer Agent(s):

GTE Shareholder Services Incorporated
P.O. Box 37
North Quincy, Massachusetts 02171

GTE Shareholder Services Incorporated
50 Broadway
New York, New York 10004

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Bank of America National Trust and Savings Association
P.O. Box 37000
San Francisco, California 94137

State Street Bank and Trust Company
P.O. Box 5003
Boston, Massachusetts 02107

Stock Exchange(s): New York, Midwest, Pacific, London, Amsterdam, Basel, Geneva, Lausanne, Zurich.

Ticker Symbol: GTE

Number of Employees:

1984	N.A.	1981	196,000
1983	185,000	1980	194,000
1982	190,000		

N.A. - Not Available.

Sales and Earnings
(000's)

	$ Revenues & Sales ‡	$ Net Income
1984	14,547,344	1,125,118
1983	12,943,918	955,604
1982	11,766,658	835,626
1981	10,710,397	722,004
1980	9,679,824	479,525

	No. of Com. Shares #	Earn. per Share #
1984	196,566,000	$ 5.55
1983	185,400,000	5.00
1982	171,404,000	4.70
1981	159,946,000	4.32
1980	151,805,000	2.95

‡ Of continuing operations only.
# Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$3.04	—	—
1983	2.96	—	—
1982	2.88	—	—
1981	2.78	—	—
1980	2.72	—	—

Common Stock Equity

		Total Equity + (000's)	Equity Per Share
1984	$	7,374,000	$ 36.10
1983		6,461,000	33.89
1982		5,688,000	31.51
1981		4,939,000	29.81
1980		4,408,000	28.46

+ After allowing for no par preferred stock at $25 per share and $50 par value preferred stock at par.

Income Account *
(000's)

Year ended Dec. 31		1984		1983
Revenues and Sales:				
Telephone oper.	$	9,065,204	$	8,369,260
Other oper.		5,482,140		4,574,658

Total Income	$ 14,547,344	$ 12,943,918
Costs & expenses		
Telephone oper	6,461,098	6,094,788
Other oper	5,329,441	4,361,024
Interest expense	795,795	815,033
Bus. restruc. exp	61,600	—
Minority interests	34,205	42,770
Preferred dividends of subsid	60,696	64,798
Other income	(1,044)	(25,253)
Income before taxes	$ 1,805,553	$ 1,590,758
Income taxes	725,726	612,776
Inc. - cont. oper	$ 1,079,827	$ 977,982
Loss - discont. oper	—	(22,378)
Cum. effect of change in accounting	45,291	—
Net Income	$ 1,125,118	$ 955,604

* Included in Costs and Expenses. Depreciation $1,940,796,000 in 1984 and $1,767,017,000 in 1983

Assets
(000's)

As of Dec. 31	1984	1983
Cash & temp. invest	$ 521,435	$ 155,545
Receiv., net	2,061,114	2,009,559
*Inventories	1,340,334	1,076,674
Other assets	341,335	309,547
Current Assets	$ 4,264,218	$ 3,551,325
#Fixed assets	21,068,767	19,708,457
Investments & other assets	1,031,245	963,074
Total Assets	$ 26,364,230	$ 24,222,856

Liabilities
(000's)

Short-term oblig	$ 719,435	$ 843,348
Accts. payable	1,495,258	1,173,422
Accrued taxes	540,572	494,944
Advance billings	217,619	207,590
Accrued interest	248,018	223,450
Other curr. liab	1,134,375	753,351
Curr. Liabilities	$ 4,355,277	$ 3,696,105
Long-term debt	8,599,275	8,800,378
Reserves & deferred credits	4,463,127	3,800,350
+ Mand. redempt. pref. stock	648,570	695,195
No par preferred stock	224,457	100,000
+ Preferred stock	21,245	23,807
+ + Common stock	680,791	635,491
Add. paid-in capital	3,126,175	2,695,084
For. curr. trans. adjust	(222,893)	(165,718)
Retained earnings	3,789,599	3,295,918
Minority interest in eq. of subsid	678,607	646,246
Total Liabilities & Shareholders' Equity	$ 26,364,230	$ 24,222,856

* At lower of cost (FIFO or average) or market; certain non-regulated domestic inventories at LIFO.
# Less accumulated depreciation.
+ $50 par value.
+ + $3.33⅓ par value.

GTI Corporation

10060 Willow Creek Road
San Diego, California 92131
(619) 578-3111

Officers: James K. La Fleur, chairman of the board, president & chief exec. officer; John C. Brittain, v.p. - international operations; Remo A. Ionni, v.p. & gen. mgrs., Ronald Lust, v.p.-finance & secretary-treasurer; Richard C. Roessler, corp. controller.

Directors: Edwin F. Scheetz, James K. La Fleur, Andre R. Horn, William S. Ivans, Alvin H. Wineman, Jr., Ronald Lust, John C. Brittain.

Areas of Work: Engaged in the manufacture of parts, components and processing equipment primarily for the electronic, automotive, computer, appliance and electrical markets. Principal products: an automotive electronic interference filter, 3-D, interactive, color computer graphics, precision cut, formed and welded metal and glass components, production process and component handling and feeding systems and both die stamped and etched flexible circuit boards.

Divisions:

Circuits Division
P.O. Box 217
Leesburg, Indiana 46538
(219) 453-3261

Manufactures die stamped printed circuits with its major markets being the automotive industry.

Electronics Division
R.D. 2, P.O. Box 2096
Hadley, Pennsylvania 16130
(412) 253-3161

Produces a line of two and three piece welded leads and filaments, straight cut lead and rolled pins, intricate metal forms, headed and formed leads, semiconductor leads, wire welds, welded cap and assemblies and lamp leads.

Computer Graphics Division
10060 Willow Creek Road
San Diego, California 92131
(619) 578-7885

Designs and produces state-of-the-art, real-time, interactive 3-D, color shaded Computer Image Generators that are positioned to provide low-cost, high-quality visuals for the military, aerospace trainer and simulator markets.

GTI - Ireland, Ltd.
Industrial Estates
Abbeyfeale
County Limerick
Republic of Ireland

Transfer Agent(s):

Mellon Bank, N.A.
Pittsburgh, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: GTI

Number of Employees:

1984	N.A.	1981	365
1983	405	1980	435
1982	293		

N.A. - Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 25,685,000	$ 410,000
1983	17,096,000	19,000
1982	18,851,000	201,000
1981	18,716,000	891,000
1980	17,413,000	787,000

	No. of Com. Shares	Earn. per Shares †
1984	3,499,867	$ 0.12
1983	3,499,867	0.01
1982	3,062,937	0.07
1981	3,037,837	0.40
1980	2,154,337	0.37

+ Of continuing operations only.
† Based on weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Metal, glass & electronic components	$ 16,794,000	$ 9,964,000
Circuit boards	6,249,000	6,040,000
Component processing equipment	2,642,000	1,087,000
Corporate	—	5,000
Total	$ 25,685,000	$ 17,096,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.09	—	—
1981	0.12	—	—
1980	0.12	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 10,571,000	$ 3.02
1983	10,356,000	2.96
1982	8,592,000	2.81
1981	8,617,000	2.84
1980	5,295,000	2.46

Income Account *

Year ended Dec. 31	1984	1983
Net revenues	$ 25,685,000	$ 17,096,000
Cost of revenues	19,446,000	13,043,000
Expenses	5,267,000	4,158,000
Other expense (income)	21,000	(46,000)
Interest expense	402,000	239,000
Interest income	(283,000)	(308,000)
Income before taxes	$ 832,000	$ 10,000
Income taxes (credit)	422,000	(9,000)
Net Income	$ 410,000	$ 19,000

* Included in Costs and Expenses. Depreciation and Amortization: $1,145,000 in 1984 and $804,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 696,000	$ 690,000
Receiv., net	3,238,000	2,924,000
Due from Rep. of Ireland	432,000	545,000
*Inventories	3,240,000	3,410,000
Prepaid expenses	190,000	124,000
Deferred inc. taxes	429,000	223,000
Current Assets	$ 8,225,000	$ 7,916,000
Long-term market. secur	1,700,000	1,700,000
#Fixed assets	5,314,000	4,307,000
Def. inc. taxes	12,000	—
Patents and license rights	1,746,000	2,000,000
Total Assets	$ 16,997,000	$ 15,923,000

Liabilities

Long-term debt, curr.	$ 236,000	$ 218,000
Accts. payable	2,076,000	1,724,000
Accruals	1,601,000	1,038,000
Accrued inc. taxes	456,000	195,000
Curr. Liabilities	$ 4,369,000	$ 3,175,000
Long-term debt	1,706,000	2,237,000
Deferred inc. taxes	—	9,000
Other liabilities	351,000	146,000
+ Common stock	140,000	140,000
Add. paid-in capital	8,993,000	8,990,000
Retained earnings	1,776,000	1,366,000
Cum. trans. adj.	(338,000)	(140,000)
Total Liabilities & Shareholders' Equity	$ 16,997,000	$ 15,923,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.04 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.24	0.06
%Net Income to Sales	1.60	0.11
%Net Income to Equity	3.88	0.18
Sales to Inventories	7.93	5.01
Working Capital	$ 3,856,000	$ 4,667,000
Current Ratio	1.88	2.41
Shareholders' Equity	$10,571,000	$10,356,000

Gulf + Western Industries, Inc.

1 Gulf + Western Plaza
New York, New York 10023
(212) 333-7000

Officers: Martin S. Davis, chairman and chief exec. officer, Reece A. Overcash, Jr., James I. Spiegel, sr. exec. v.p.'s, Lawrence E. Levinson, Donald Oresman exec. v.p.'s, Michael S. Hope, exec. v.p. and chief financial officer, Mel Anderson, sr. v.p.-human resources, Peter A. Butler, v.p.-risk management, Thomas E. Harrison, Jr., v.p. and patent counsel, Rudolph L. Hertlein, v.p.-systems, Edgar W. Levin, sr. v.p.-corporate planning and development, Eugene I. Meyers, sr. v.p.-tax counsel, James E. Parent, v.p.-financial & investor relations, William F. Ryan, v.p. and treasurer, Jerry Sherman, v.p.-corporate communications, George Yarbenet, v.p.-real estate, Thomas M. Bartlett, Raymond M. Nowak, Thomas E. Cotti, v.p.'s

Directors: Martin S. Davis*, Judd Leighton, T.H. Neyland*, Donald Oresman*, Irwin Schloss*, Samuel J. Silberman*, George A. Smathers, Gerald E. Miller, Henry A. Walker, Jr., Grace J. Fippinger*, James A. Nicholas, Yvette Bluhdorn, Irving R. Fischer, George Weissman

* Member of the Executive Committee

Areas of Work: Gulf + Western's 3 operating groups are Consumer & Industrial Products Group, Entertainment & Communications, Financial Services

Operating Groups & Subsidiaries:

Consumer & Industrial Products Group
Manufacturing

The Manufacturing Group is engaged in the manufacturing of automotive and appliance components; marine, military and commercial hardware, primary metals, air conditioning and refrigeration equipment and components, electronic connectors; electrical wire and cable; iron, steel, traffic and industrial control systems, research and development.

Gulf + Western Manufacturing Co.
Collyer Insulated Wire
Unicord
Producciones Automotrices, S.A.
Elco Corp.
Eagle Signal

Entertainment & Communications

Engaged in the production, financing and distribution of motion pictures for exhibition in appropriate media and the production and distribution of television film series; also engaged in the publication of hard cover and paperback books, music publishing and the distribution of educational films.

Prentice-Hall
Miss Teen U.S.A.
Paramount Pictures Corp.
United International Pictures
Simon & Schuster
Madison Square Garden Corp.
Madison Square Garden Communications Network
Hughes Television Network
Madison Square Garden Cablevision
Madison Square Garden Television
USA Network
Esquire, Inc.

Consumer Products

Engaged in the manufacture and marketing of a wide variety of apparel for men, women and children and specialty home furnishings mattresses, and sofabeds; and the manufacture and marketing to manufacturers and retail stores of specialty textile products.

Kayser-Roth Corporation
Simmons U.S.A.
Simmons Universal
Katzenbach & Warren

Automotive

Engaged in the distribution of automotive replacement parts in the United States.

Big A
American Parts System
Doyen

Financial Services

Makes direct installment loans, financing sales of consumer and industrial products, wholesale financing, industrial and commercial financing and underwriting insurance.

Heritage Federal Savings & Loan Association
Associates National Bank
Associates First Capital Corporation
Associates Corp. of North America
THE ASSOCIATES
Associates Commercial Corp.
Cumberland Life Insurance Co.
Emmco Insurance Co.
Associates National Bank-Execu-Charge/Visa
The United States Auto Club

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 W. 33rd St.
New York, New York 10001

Montreal Trust Company
15 King Street West
Toronto, Ontario Canada M5H 1B4

Stock Exchange(s): New York, Toronto, London, Basel, Geneva, Zurich

Ticker Symbol: GW

Number of Employees:

1984	N.A.	1981	117,900
1983	80,350	1980	113,000
1982	107,900		

Plant Footage:

1984	N.A.	1981	41,790,700
1983	37,921,000 sq. ft.	1980	30,100,000
1982	39,076,000		

N.A.-Not Available

Sales and Earnings

	Net Sales ‡	Net Income
1984	$4,182,200,000	$ 259,900,000
1983	3,690,500,000	(212,053,000)
1982	3,587,100,000	168,602,000
1981	3,387,800,000	290,887,000
1980	3,150,700,000	255,284,000

	No. of Com. Shares †	Earn. per Share †
1984	72,600,000	$ 3.57
1983	75,888,000	—
1982	74,561,000	2.17
1981	75,381,000	3.75
1980	56,046,000	4.38

(Loss)
‡ Includes operating revenues, of continuing operations only.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Consumer & indust. prod.:		
Apparel & hosiery	$ 1,069,000	$ 1,007,000
Manufacturing	712,000	562,000
Bedding & home furn.	572,000	537,000
Auto. parts dist.	337,000	308,000
Entertainment & commun.:		
Motion pictures & TV	1,007,000	844,000
Publishing & other	485,000	432,000
Total	$ 4,182,000	$ 3,690,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.90	—	—
1983	0.75	—	—
1982	0.75	—	—
1981	0.75	—	—
1980	0.638	—	5-for-4

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 1,836,500	$ 26.22
1983	1,893,924	24.52
1982	2,085,762#	28.18
1981	2,081,487#	27.48
1980	1,538,745#	27.21

After allowing for preferred shares at a total liquidation value.
‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended July 31	1984	1983
Net sales & revenues	$ 4,182,200	$ 3,690,000
Eq. in earn. of affil.	179,200	141,100
Total Income	$ 4,361,400	$ 3,831,600
Cost of sales	2,994,100	2,702,000
Expenses	904,800	843,300
Interest expense	80,800	158,800
Other income	(62,500)	(251,100)
Income before taxes	$ 444,200	$ 378,600
Income taxes	180,900	136,000
Inc.-cont. oper.	$ 263,300	$ 242,600
Loss-discont. oper.	(3,400)	(454,700)
Net Income (Loss)	$ 259,900	$ (212,100)

* Included in Costs and Expenses, Depreciation $57,100,000 in 1984 and $54,400,000 in 1983.

Assets
(000's)

As of July 31	1984	1983
Cash	$ 74,000	$ 134,142
Marketable securities	—	57,041
Accts. receiv., net	722,200	640,694
*Inventories	660,900	700,513
Assets of discont. oper.	3,800	88,341
Prepaid expenses	616,400	557,630
Current Assets	$ 2,077,300	$ 2,178,361
#Fixed assets	419,700	674,060
Other assets	1,651,600	1,565,755
Total Assets	$ 4,148,600	$ 4,418,176

Liabilities
(000's)

Notes payable & comm. paper	$ 12,500	$ 30,110
Long-term debt, curr.	106,800	129,463
Accts. payable	227,100	216,689
Accruals	745,300	708,341
Income taxes	27,800	39,890
Curr. Liabilities	$ 1,119,500	$ 1,124,493
Long-term debt	858,200	991,706
Deferred liabilities	319,800	393,490
+ Redeem. pref. stock	14,600	14,563
+ + Common stock	70,000	77,253
Add. paid-in capital	533,400	589,931
Retained earnings	1,288,600	1,264,605
Curr. trans. adjust.	(55,500)	(37,865)
Total Liabilities & Shareholders' Equity	$ 4,148,600	$ 4,418,176

* At lower of cost (FIFO or average) or net realizable value.
# Less accumulated depreciation and depletion.
+ $100 stated value, cumulative convertible.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	14.15	—
Working Capital	$957,800,000	$1,053,868,000
Current Ratio	1.86	1.94
Shareholders' Equity	$1,836,500,000	$1,893,924,000

Gulton Industries, Inc.

P.O. Box CN-63
101 College Road East
Princeton, New Jersey 08540
(609) 452-1811

Officers: E. Maclin Roby, chairman, president & chief exec. officer; R. Diane Mickle, v.p.-administration; Robert H. Tansor, v.p.-finance; Philip Garnick, Robert D. Pabst, Robert G. Thesing, Ronald J. Klammer, vice presidents; Henry Hirschmann, treasurer; Robert L. Pelz, chairman, executive committee & secretary; Lee C. Lund, Richard P. Streicher, asst. secretaries.

Directors: E. Maclin Roby*, chairman; Walter F. Gips*, J. David Parkinson, Lewis B. Cullman*, Robert L. Pelz*, Ian M. Ross, Clarke Simonds, Eugene A. Sekulow, John S. Chamberlin*, Sidney Blaxill.

* Member of the Executive Committee.

Areas of Work: Specializes in the design and manufacture of electrical and electronic components, equipment and systems in four principal business segments: audio, defense, graphic display and industrial. The company's major markets are in commercial and professional audio, defense, aerospace, mass transportation, metals and mining, power utilities, instrumentation and process control. Audio products include sound reinforcement and modification equipment, including microphones, speakers, speaker systems, electronics, headsets and handsets. Defense markets data acquisition telemetry power conditioning and conversion products as well as transducers and connectors. Industrial products include transportation lighting and destination sign systems; transmission and distribution switchgears, remote controls, industrial communications; mine safety products; temperature controllers; pyrometers. Graphic Display products include chart recorders; printers; printer/plotters; thermal printheads.

Divisions and Subsidiaries:

Defense

Engineered Magnetics Division
13041 Cerise Avenue
Hawthorne, California 90250
(213) 679-0111

Servonic Division
1644 Whittier Avenue
Costa Mesa, California 92627
(717) 642-2400

Data Systems Division
15000 Central Avenue, S.E.
Albuquerque, New Mexico 87123
(505) 299-7601

Industrial

Femco Division
P.O. Box 33
2000 Bethel Drive
High Point, North Carolina
(919) 887-2611

Luminator Division
1200 E. Dallas North Parkway
Plano, Texas 75074
(214) 424-6511

West Division
% The Hyde, Lower Bevendean
Brighton BN2, 4JU, England

Graphics Displays

Graphic Instruments Division
Gulton Industrial Park
East Greenwich, Rhode Island 02818
(401) 884-6800

Audio

Electro-Voice, Inc.
600 Cecil Street
Buchanan, Michigan 49107
(616) 695-6831

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: GUL

Number of Employees:

1984	N.A.	1981	3,294
1983	2,669	1980	3,611
1982	2,907		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1985	$ 148,033,000	$ 4,249,000
1984	147,441,000	5,216,000
1983	151,180,000	4,017,000
1982*	155,745,000	1,911,000
1981	156,487,000	1,783,000

	No. of Com. Shares	Earn. per Share #
1985	3,246,012	$ 1.24
1984	3,231,564	1.51
1983	3,194,185	1.19
1982*	3,188,000	0.53
1981	3,151,000	0.49

* 53 weeks.
+ Of continuing operations only.
# Based on the average number of shares outstanding.

Revenues By Line of Business

	1985	1984
Audio	$ 46,515,000	$ 43,529,000
Defense	42,056,000	39,337,000
Graphic Display	23,041,000	19,793,000
Industrial	36,421,000	44,782,000
Total	$ 148,033,000	$ 147,441,000

Common Stock Equity

	Total Equity ‡	Equity Per Share
1985	$ 42,013,000	$ 12.94
1984	39,830,000	12.59
1983	36,481,000	11.69
1982	34,659,000	11.08
1981	34,523,000	11.21

‡ After allowing for preferred stock at liquidating value of $50 per share.

Income Account *
(000's)

Year ended	2/23/85	2/25/84
Net sales	$ 148,033	$ 147,441
Cost of sales	102,467	101,623
Expenses	33,995	35,831
Interest expense	1,303	1,526
Other income	(995)	(2,367)
Income before taxes	$ 11,263	$ 10,828
Income taxes	5,157	4,728
Income from cont. oper.	$ 6,106	$ 6,100
Loss from discont. oper.	(1,857)	(884)
Net Income	$ 4,249	$ 5,216

* Included in Costs and Expenses, Depreciation and Amortization: $2,870,000 in 1984 and $2,790,000 in 1983.

Assets
(000's)

As of	2/23/85	2/25/84
Cash	$ 2,320	$ 2,398
Short-term investments	2,800	4,500
Accts. receiv., net	27,675	24,251
*Inventories	26,415	26,292
Deferred income taxes	203	1,822
Assets of discont. oper.	1,259	1,919
Other assets	1,424	530
Current Assets	$ 62,096	$ 61,712
Other assets & deferred charges	5,659	6,010
#Fixed assets	16,472	15,253
Intangibles	3,079	3,083
Total Assets	$ 87,306	$ 86,058

Liabilities
(000's)

Notes payable	$ 1,269	$ 763
Long-term debt, curr.	1,718	1,731
Accts. payable & accruals	24,050	24,489
Income taxes	1,957	277
Curr. Liabilities	$ 28,994	$ 27,260
Long-term debt	9,016	10,674
Deferred credits	2,286	2,444
+ Preferred stock	999	1,170
+ + Common stock	3,246	3,232
Add. paid-in capital	10,653	10,921
Retained earnings	33,730	31,623
Equity adjustment	(1,576)	(690)
Treasury stock	(42)	(576)
Total Liabilities & Shareholders' Equity	$ 87,306	$ 86,058

* At lower of cost (FIFO, average & LIFO) or market.
# Less accumulated depreciation & amortization.
+ $10 par value; cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.61	7.34
%Net Income to Sales	2.87	3.54
%Net Income to Equity	9.04	11.42
Sales to Inventories	5.60	5.61
Working Capital	$33,102,000	$34,452,000
Current Ratio	2.14	2.26
Shareholders' Equity	$47,010,000	$45,680,000

Halliburton Company

2600 Southland Center
400 N. Olive, L.B. 263
Dallas, Texas 75201
(214) 748-7261

Officers: Thomas H. Cruikshank, president & chief exec. officer; B.G. Taylor, exec. v.p.-oil field services; Jack W. Miller, sr. v.p.-finance; Stephen T. DeLaMater, v.p.-gov't. relations; James G. Nuland, v.p.-investor relations; Lester I. Coleman, v.p.-corporate development; C. Robert Fielder, treasurer; Robert M. Kennedy, secretary; Kenneth V. Jenkins, controller.

Directors: Anne L. Armstrong, Alex E. Barron, Thomas H. Cruikshank*, Thomas J. Feehan*, James W. Glanville, Dennis R. Hendrix*, Leonard Leon, Guy T. McBride, Jr., B.G. Taylor*, E.L. Williamson, Lord Polwarth, Edwin L. Cox, William E. Simon, T. Louis Austin, Jr.*

* Member of the Executive Committee.

Divisions and Subsidiaries:

Oil Field Services and Products

Halliburton Services Division
P.O. Drawer 1431
Duncan, Oklahoma 73536
Oil field services and products.

Otis Engineering Corporation
P.O. Box 810380
Dallas, Texas 75381
Specialized equipment and services for the completion, production and control of oil and gas wells.

Freight Master Division
P.O. Box 40555
Fort Worth, Texas 76140
Hydraulic cushioning devices and maintenance services for the railroad industry.

Halliburton Company

Welex Division Division
P.O. Box 42800
Houston, Texas 77042
Electric well logging and jet perforating services for the petroleum industry

IMCO Services Division
P.O. Box 22605
Houston, Texas 77227
Supplier of oil well drilling fluids and related chemical products and services

Halliburton Resource Management Division
P.O. Box 1411
Dallas, Texas 75221
Renting equipment for compression, gas processing and production

Halliburton International, Inc
P.O. Box 22605
Houston, Texas 77227

Jet Research Center, Inc
P.O. Box 246
Arlington, Texas 76010
Explosive products and services for petroleum, marine and defense/aerospace industries

Industrial Engineering/Construction Services

Brown & Root, Inc
P.O. Box 3
Houston, Texas 77001
Engineering and construction services

Brown & Root U.S.A., Inc
P.O. Box 3
Houston, Texas 77001

Brown & Root International, Inc
P.O. Box 3
Houston, Texas 77001

NUS Corporation
910 Clopper Road
Gaithersburg, Maryland 20878
Engineering and environmental consulting services for industry, utilities and government.

Wm. A. Smith Construction Co., Inc
P.O. Box 15217
Houston, Texas 77220
Railroad construction and maintenance services.

Mid-Valley, Inc
P.O. Box 2634
Houston, Texas 77001
Provide engineering, construction and project management services nationwide

Vernon Graphics, Inc
400 Executive Boulevard
Elmsford, New York 10523
Provides computerized mapping and record systems and services for utilities.

Marine Engineering/Construction Services

Taylor Diving & Salvage Co., Inc
701 Engineers Road
Belle Chasse, Louisiana 70037
International undersea engineering, construction and salvage operations

Brown & Root Development, Inc
P.O. Box 2002
Houston, Texas 77001
Provides engineering and project management through contracts with the U.S. government and with commercial firms utilizing government funds.

Insurance Services

Highlands Insurance Company
600 Jefferson Street
Houston, Texas 77002
Casualty, property, surety, and marine insurance.

Life Insurance Company of the Southwest
P.O. Box 47421
Dallas, Texas 75247
Life, health and accident insurance.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Central Trust Company
P.O. Box 38
1 First Canadian Place
Toronto, Ontario, Canada M5X 1G4

RepublicBank Dallas, N.A
Pacific at Ervay
Dallas, Texas 75201

Stock Exchange(s): New York, London, Toronto, Zurich, Geneva, Basel, Lausanne

Ticker Symbol: HAL

Number of Employees:

1984	68,000	1981	109,268
1983	73,165	1980	114,968
1982	83,748		

Sales and Earnings

	Net Revenues (000's)	Net Income † (000's)
1984	$ 5,445,719	$ 329,595
1983	5,522,178	275,815
1982	7,257,291	496,845
1981	8,508,133	674,268
1980	7,090,007	500,298

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	114,855,000	$ 2.87
1983	118,250,000	2.33
1982	118,068,000	4.21
1981	117,839,000	5.72
1980	117,698,000	4.25

† Including extraordinary losses of $39,023,000 ($0.33 per share) in 1983 and $14,803,000 ($0.13 per share) in 1982.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984 (000's)	1983 (000's)
Oil field services and products	$ 3,176,339	$ 2,867,567
Industrial engineering/ construction services	1,574,292	1,824,806
Marine engineering/ construction services	695,088	829,805
Total	$ 5,445,719	$ 5,522,178

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$1.80	—	—
1983	1.65	—	—
1982	1.60	—	—
1981	1.30	—	—
1980	1.05	—	2-for-1

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 3,384,191	$ 31.19
1983	3,571,527	30.18
1982	3,482,085	29.49
1981	3,167,117	26.88
1980	2,635,093	22.39

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net revenues	$ 5,445,719	$ 5,522,178
Cost of sales	4,720,221	4,813,892
Expenses	227,608	207,280
Interest expense	138,047	132,050
Interest income	(133,652)	(112,836)
Other income	(37,066)	(13,684)
Income before taxes	$ 530,561	$ 495,476
Income taxes	240,004	220,446
Income of unconsol. cos	(41,585)	(43,887)
Minority interest	2,547	4,079
Net Income	$ 329,595	$ 314,838
Extraord. loss	—	(39,023)
Net Income & extraord. loss	$ 329,595	$ 275,815

* Included in Costs and Expenses. Depreciation $368,605,000 in 1984 and $375,858,000 in 1983

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 297,625	$ 477,028
Short-term securities	749,004	763,545
Accts. & notes receiv., net	1,198,733	1,290,971
Uncompleted contracts	89,130	77,981
*Inventories	496,543	530,864
Current Assets	$ 2,831,035	$ 3,140,389
Equity in & adv. to related comp.	408,677	336,957
Advances & receiv. from joint ventures	147,780	162,265
#Fixed assets	1,860,669	2,087,488
Other assets	104,141	106,695
Total Assets	$ 5,352,302	$ 5,833,794

Liabilities
(000's)

	1984	1983
Notes payable & long-term debt, curr.	$ 181,668	$ 135,861
Accts. payable	295,390	284,734
Advance billings	157,074	265,857
Income taxes	160,505	169,476
Employee benefit fund	52,724	38,745
Other liab.	415,970	388,810
Curr. Liabilities	$ 1,263,331	$ 1,283,483
Long-term debt	480,155	730,244
Minority interest	18,236	21,138
Deferred inc. taxes	206,389	227,402
+ Common stock	296,721	296,326
Add. paid-in capital	112,604	103,853
Retained earnings	3,299,542	3,176,428
Treasury stock	(324,676)	(5,080)
Total Liabilities & Shareholders' Equity	$ 5,352,302	$ 5,833,794

* At cost which is not in excess of market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Revenues	9.14	8.97
%Net Income to Revenues	6.05	4.99
%Net Income to Equity	9.74	7.72
Working Capital	$1,567,704,000	$1,856,906,000
Current Ratio	2.24	2.45
Shareholders' Equity	$3,384,191,000	$3,571,527,000

Hamilton Digital Controls, Inc.

2118 Beechgrove Place
Utica, New York 13501
(315) 797-2370

Officers: William J. Barry, Jr. president; Edward Zacaroli, chairman of the board; Jeffrey A. Morse, v.p.-operations; Robert I. Tracktenberg, v.p.-marketing & engineering; Ralph M. Risley, treasurer, v.p.-finance & asst. secretary; David Malkin, secretary

Directors: Munson H. Pardee, Edward Zacaroli, Eugene J. Hickey, Harold Julian, Charles Gaetano, David Malkin

Areas of Work: Engaged in the design and manufacture of magnetic recording heads for use by original equipment manufacturers of computer systems and peripheral equipment.

Transfer Agent(s):

Marine Midland Bank-New York
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HDIG (NASDAQ)

Number of Employees:

1984	N.A.	1981	480
1983	N.A.	1980	490
1982	363		

Plant Footage:

1984	N.A.	1981	49,000
1983	N.A.	1980	49,000
1982	49,000 sq. ft.		

N.A.—Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,507,173	$ (1,764,792)
1983	7,559,223	(504,170)
1982	9,143,381	(188,225)
1981	8,320,257	(105,046)
1980	8,523,987	361,805

	No. of Com. Shares #	Earn. per Share #
1984	1,350,552	$ —
1983	1,350,552	—
1982	1,350,552	—
1981	1,351,800	—
1980	1,346,437	0.27

(Loss)
Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	5%	—
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 395,550	$ 0.29
1983	2,160,342	1.60
1982	2,664,512	1.97
1981	2,852,737	2.11
1980	2,936,512	2.18

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 4,507,173	$ 7,559,223
Cost of sales	4,791,093	6,899,586
Expenses	1,130,943	1,047,775
Recovery of doubt. accts.	(19,832)	(13,015)
Interest expense	380,489	408,100
Interest income	(3,080)	(18,534)
Loss before taxes	$ (1,772,440)	$ (764,689)
Tax credit	(7,648)	(260,519)
Net Loss	$ (1,764,792)	$ (504,170)

* Included in Costs and Expenses: Depreciation and Amortization: $286,350 in 1984 and $295,196 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 96,141	$ 36,229
Market investments		192
Receiv., net	491,895	805,649
*Inventories	1,975,619	2,564,717
Prepaid expenses	65,861	83,765
Prepaid inc. taxes	—	254,316
Def. inc. tax charges	20,449	20,449
Current Assets	$ 2,649,965	$ 3,765,317
#Fixed assets	2,566,441	2,744,204
Intangibles	3,100	3,844
Other assets	95,245	91,633
Total Assets	$ 5,314,751	$ 6,604,998

Liabilities

	1984	1983
Notes payable	$ 1,638,504	$ 772,522
Long-term debt, curr.	421,891	422,314
Accounts payable	558,695	553,271
Accruals	209,764	229,251
Curr. Liabilities	$ 2,828,854	$ 1,977,358
Long-term debt	1,994,858	2,363,411
Deferred inc. tax credits	95,489	103,887
+ Common stock	33,764	33,764
Add. paid-in capital	2,091,247	2,091,247
Retained earnings (deficit)	(1,729,461)	35,331
Total Liabilities & Shareholders' Equity	$ 5,314,751	$ 6,604,998

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.02½ par value.

Statistical Summary

Sales to Inventories	2.28	2.95
Working Capital		$1,787,959
Current Ratio	—	1.90
Shareholders' Equity	$395,550	$2,160,342

Harrel, Incorporated

16 Fitch Street
East Norwalk, Connecticut 06855
(203) 866-2573

Officers: Holton E. Harris, president; Trygve O. Ager, vice president-engineering; Weems E. Estelle, executive v.p.; Joshua M. Schwartz, v.p.-Digital Engineering; Hamilton B. Griffin, v.p.-manufacturing; J. Turner Jones, secretary.

Directors: J. Turner Jones, Will B. Rodemann, Holton E. Harris.

Areas of Work: Manufactures precision electronic controls and instrumentation; and computer control systems, primarily for industrial uses such as plastics machinery, packaging machines, test equipment, and environmental chambers.

Transfer Agent(s):

Union Trust Company
300 Main Street
Stamford, Connecticut 06904

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,650,725	$ 605,103
1983	3,517,489	313,256

	No. of Com. Shares	Earn. per Share +
1984	336,004	$ 1.80
1983	336,004	0.93

+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,764,539	$ 8.23
1983	2,259,544	6.72

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 4,650,725	$ 3,517,489
Cost of sales	2,486,964	1,932,134
Expenses	1,072,439	1,056,219
Other income	(106,147)	(56,784)
Income before taxes	$ 1,197,469	$ 585,920
Income taxes	592,366	272,664
Net Income	$ 605,103	$ 313,256

* Included in Costs and Expenses, Depreciation and Amortization: $104,854 in 1984 and $119,472 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 2,087,776	$ 1,472,605
Accts. receiv., net	823,867	415,834
*Inventories	986,403	823,216
Prepaid expenses	46,678	36,017
Current Assets	$ 3,994,724	$ 2,747,672
#Fixed assets	685,457	812,380
Total Assets	$ 4,630,181	$ 3,560,052

Liabilities

	1984	1983
Notes Payable	$ 56,936	$ 51,541
Accts. payable	167,418	127,165
Accruals	190,628	153,993
Accrued inc. taxes	362,807	27,803
Customer deposits	469,912	277,833
Dividend payable	101,101	85,244
Curr. Liabilities	$ 1,348,802	$ 723,579
Deferred inc. taxes	7,455	10,608
Notes payable	509,385	566,321
+ Common stock	168,502	168,502
Add. paid-in capital	437,297	437,297
Retained earnings	2,165,590	1,660,595
Treasury stock	(6,850)	(6,850)
Total Liabilities & Shareholders' Equity	$ 4,630,181	$ 3,560,052

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	25.75	16.66
%Net Income to Sales	13.01	8.91
%Net Income to Equity	21.89	13.86
Sales to Inventories	4.71	4.27
Working Capital	$2,595,922	$2,024,093
Current Ratio	2.92	3.80
Shareholders' Equity	$2,764,539	$2,259,544

Harris Corporation

1025 W. NASA Boulevard
Melbourne, Florida 32919
(305) 727-9100

Officers: Joseph A. Boyd, chairman & chief exec. officer; John T. Hartley, Jr., president & chief operating officer; Jack C. Davis, Frank J. Lewis, Jon E. Cornell, Gene W. Milner, Guy W. Numann, sr. v.p.'s & sector executives; Bryan R. Roub sr. v.p.-finance; Joseph R. Creighton, v.p. & general counsel; Herbert N. McCauley, v.p.-management information systems; John J. Myers, v.p.-corporate development; Stephen Baur, v.p.-corp. relations; John P. Dawley, v.p.-human resources; Ricardo A. Diaz, v.p.-manufacturing; John A. Hubner, v.p. and controller; O.W. Hudson, secretary.

Directors: Joseph A. Boyd*, chairman of the board; Ralph D. DeNunzio*, C. Jackson Grayson, Jr., J.T. Hartley, Oliver G. Haywood, David C. Scott, Richard B. Tullis*, James W. Wilcock, William Farinon, George L. Meisel, Gene W. Milner.

* Member of the Executive Committee

Areas of Work: Designs, manufactures, installs and maintains equipment and systems for the communications and information processing industry. Products include satellite communications systems, radio and TV transmitters, two-way radios, data terminals and controllers, microwave transmission systems, digital PABX systems, medium-scale computers, utility control systems, integrated circuits, automated testing equipment, newspaper editing and composing systems, printing presses and binding equipment.

Divisions and Subsidiaries:

Information Systems Sector

Controls and Composition Division
505 John Rodes Boulevard
Melbourne, Florida 32901
(305) 259-5000
Electronic systems and terminals for news editing and advertising preparation, computerized phototypesetters, hot-metal linecasters, photo discs and type matrices, utility, pipeline, railroad and industrial control systems, data acquisition and processing equipment.

Computer Systems Division
2101 Cypress Creek Road
Fort Lauderdale, Florida 33309
(305) 974-1700
Medium scale digital computers and memory systems.

Customer Support Division

Information Terminals Group
Dallas, Texas
Melbourne, Florida
Involved with distributed data processing, interactive products and word processing.

Distributed Products Division

Interactive Products Division

Digital Telephone Systems Division
One Commerce Boulevard
Novato, California 94947
(415) 472-2500
Digital telephone and PBX systems for business and industrial firms and telephone companies.

Information Systems International Division
1301 Woody Burke Road
Melbourne, Florida 32901
(305)724-3000
International marketing of super mini-computers and remote batch, interactive and distributed data processing systems.

Communications Sector

Broadcast Group
3200 Wisman Lane
Quincy, Illinois 62301
(213) 882-8595
Radio and TV transmitters, studio equipment, automation systems and antennas, color TV cameras, video links, digital video systems.

Broadcast Transmission Division

Broadcast Studio Division

Dracon Division
Camarillo, California
Power supplies, equipment racks, and other auxiliary telephone equipment; voicepaging systems; telephone lineman's test instruments and tools.

Farinon Division
1691 Bayport Avenue
San Carlos, California 94070
(415) 592-4120
Farinon Electric: Microwave radios and multiplexers for voice, video and data communications systems. Farinon Video: Microwave studio transmitter links and electronic news-gathering links for broadcast and cable TV systems.

RF Communications Division
1680 University Avenue
Rochester, New York 14610
(716) 244-5830
Long range and short range two-way radio equipment and systems, mobile and fixed-base, for commercial, industrial, government and military applications.

Long Range Radio Division

Short Range Radio Division

RF Systems Division

Satellite Communications Division
1301 Woody Burke Road
Melbourne, Florida 32901
(305) 724-3000
Earth stations, antennas and complete turnkey satellite communications systems for the overseas market and for commercial users in the U.S. market.

Network Services Division
Melbourne, Florida

Semiconductor Sector

Semiconductor Products Group
P.O. Box 883
Melbourne, Florida 32901
(305) 724-7000
Dielectrically isolated operational amplifiers, A/D and D/A converters.

Analog Products Division
Melbourne, Florida

Digital Products Division
Melbourne, Florida

Harris Microwave Semiconductor, Inc. (80% owned)
Milpitas, California
Gallium arsenide microwave devices and integrated circuits; hybrid microwave amplifiers.

Custom Intergrated Circuits Division
Melbourne, Florida

Matra-Harris Semiconducteurs, S.A. (49.9% owned)
Nantes, France

Semiconductor Products Group
Melbourne, Florida

Government Systems Sector

Government Communications Systems Division
P.O. Box 37
Melbourne, Florida 32901
(305) 727-4000
Satellite and terrestrial communication and control equipment.

Government Information Systems Division
P.O. Box 37
Melbourne, Florida 32901
(305) 727-4000
Airborne/spaceborne information handling systems; command and control systems; and information processing systems.

Government Support Systems Division
Syosset New York
Westbury, New York
Fort Walton Beach, Florida
Winter Park, Florida

Government Data Communications Division
Melbourne, Florida

Government Satellite Communications Division

Government Aerospace Systems Division
Melbourne, Florida

Government Communications Systems Group

Lanier Business Products Sector

Electronics Office Systems Division
Atlanta, Georgia

Thought Processing Division
Atlanta, Georgia

Copying Products Dvision
Atlanta, Georgia

Acquisition(s):

Lanier Business Products, Inc.
1700 Chantilly Drive, N.E.
Atlanta, Georgia 30324
(404) 329-8000
On October 28,1983, Lanier was merged into the Harris Corporation. The company is a producer of office automation products.

Transfer Agent(s):

The AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): New York, Midwest, Philadelphia

Ticker Symbol: HRS

Number of Employees:

1984	30,000	1981	25,800
1983	22,200	1980	24,000
1982	22,000		

Sales and Earnings ‡

	Revenues +	Net Income
1984	$1,995,802,000	$ 80,410,000
1983	1,809,302,000	69,374,000
1982	1,646,181,000	101,476,000
1981	1,418,796,000	129,494,000
1980	1,177,174,000	97,062,000

	No. of Com Shares #	Earn per Share #
1984	39,817,000	$ 2.02
1983	39,330,000	1.76
1982	39,756,000	2.58
1981	39,002,000	3.34
1980	38,038,000	2.55

‡ Restated to include operations of Lanier Business Prods., acquired on a pooling of interests basis.
+ Includes sales, rental and services.
# Based on the average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Information syst.	$ 320,400,000	$ 318,600,000
Lanier	409,600,000	385,600,000
Communications	401,100,000	425,000,000
Semiconductor	243,300,000	151,500,000
Gov't. syst.	630,400,000	528,600,000
Total	$1,995,800,000	$1,809,300,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.88	—	—
1983	0.88	—	—
1982	0.88	—	—
1981	0.80	—	—
1980	0.72	—	—

Common Stock Equity ‡

	Total Equity	Equity Per Share
1984	$ 818,091,000	$ 20.48
1983	761,266,000	19.28

1982	715,073,000	18.26
1981	651,682,000	16.71
1980	522,973,000	13.69

‡ Restated

Income Account *
(000's)

Year ended June 30	1984	1983 ‡
Revenues	$ 1,995,802	$ 1,809,302
Other income	23,163	13,218
Total Revenues	$ 2,018,965	$ 1,822,520
Cost of revenues	1,316,792	1,177,536
Expenses	590,871	540,036
Other income	(7,203)	(2,828)
Interest expense	23,039	28,657
Income before taxes	$ 95,466	$ 79,119
Income taxes	21,774	17,231
Eq. in inc. of investments	(6,718)	(1,931)
Inc.-cont. oper.	$ 80,410	$ 63,819
Inc.-discont. oper.	-	5,555
Net Income	$ 80,410	$ 69,374

* Included in Costs and Expenses, Depreciation: $100,793,000 in 1984 and $90,286,000 in 1983.
‡ Restated

Assets
(000's)

As of June 30	1984	1983 ‡
Cash	$ 54,028	$ 42,828
Short-term securities	90,083	266,602
Accts. & notes receiv., net	357,749	309,003
Unbilled costs	193,283	134,869
*Inventories	353,697	341,488
Current Assets	$ 1,048,840	$ 1,094,790
Rental equip.	81,852	90,776
#Fixed assets	447,253	376,447
Other assets	118,918	75,158
Total Assets	$ 1,696,863	$ 1,637,171

Liabilities
(000's)

Short-term debt	$ 11,716	$ 11,260
Accts. payable	128,590	98,127
Compensation & accruals	93,933	106,394
Advance payments	71,921	46,896
Income taxes	134,149	115,755
Other accruals	57,201	52,422
Unearned leasing & serv. inc.	59,153	62,701
Curr. Liabilities	$ 556,663	$ 493,555
Deferred inc. taxes	108,813	124,858
Long-term debt:		
8¼% Convert. deven.	—	30,000
7¾% Deben.	36,750	45,000
11½% Deben.	125,000	125,000
Other debt	51,546	57,492
+ Common stock	40,009	39,535
Add. paid-in capital	130,566	117,383
Retained earnings	658,456	612,881
Cum. trans. adj.	(10,723)	(8,359)
Treasury stock	(226)	(174)
Total Liabilities & Shareholders' Equity	$ 1,696,863	$ 1,637,171

‡ Restated.
* At lower of cost (average and FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.78	4.37
%Net Income to Sales	4.03	3.53
%Net Income to Equity	9.83	8.38
Working Capital	$492,177,000	$601,235,000
Current Ratio	1.88	2.22
Shareholders' Equity	$818,091,000	$761,266,000

Harvey Hubbell, Incorporated

584 Derby Milford Road
Orange, Connecticut 06477
(203) 789-1100

Officers: Fred R. Dusto, president & chief executive officer; G.J. Ratcliffe, Jr., executive v.p.-administration; Gerald E. Martin, Richard H. Montague, T.A. Filson, Douglas E. Winters, group vice presidents; William R. Cress, v.p. and pres.-The Ohio Brass Company; Roger M. Search, v.p.-personnel; William H. Gatenby, v.p.-government & associations; Harry B. Rowell, Jr., v.p.-corporate planning & development; D.G. McNamara, v.p.-accounting and control; Robert A. McRoberts, treasurer & asst. secretary; Walter R. Hajna, controller; William A. Finnell, Alan P. Goldbecker, asst. treasurers; Richard W. Davies, secretary.

Directors: Robert N. Flint, G.J. Ratcliffe, Jr., Charles A. McKee*, Joseph A. Dallas, Robert W. Dixon*, Fred R. Dusto*, Thomas O. Boucher*, Andrew McNally IV, Robert M. Gordon, William R. Cress.

* Member of the Executive Committee.

Divisions:

Wiring Device Division
State Street & Bostwick Avenue
Bridgeport, Connecticut 06602
(203) 333-1181
Aiken, South Carolina 29801

Electrical wiring devices, ground fault circuit interruptors, medical power centers, floor boxes; marine and corrosion resistant products; hospital and medical special purpose products.

Plastics Division
Prospect Drive
Newton, Connecticut 06470
(203) 426-2555
5500 Washington Avenue
Ashtabula, Ohio 44044

Custom-molded plastic parts for electrical/electronics, appliance, hardware, recreation, packaging and automotive markets.

Kellems Division
Route One, Lord's Hill
Stonington, Connecticut 06378
(203) 535-1250

Mechanical holding devices for cable, rope, hose, and flexible conduit for utility, contractor, and industrial markets.

Lighting Division
Christiansburg, Virginia 24073
Anaheim, California
Moultrie, Georgia

Outdoor and indoor area lighting, landscape and hazardous-location lighting for commercial buildings, stadiums, gymnasiums, industrial plants, and residential use; underwater and reflecting pool lighting.

Industrial Controls Division
30 Edwards Street
Madison, Ohio 44057
(216) 428-1161

Heavy-duty electrical and electronic control equipment for industrial markets.

Pulsecom Division
Herndon, Virginia
(703) 820-0652

Manufactures electronic products related to the transmission and control of data, teleprinter, voice and television signals.

Wiring Device Division
Bridgeport, Connecticut
Vega Bajo, Puerto Rico

Subsidiaries:

The Kerite Company
49 Day Street
Seymour, Connecticut 06483
(203) 888-2591

Proprietary insulated wire and cable for railroads, electric utilities, and industrial markets.

Raco, Inc.

Manufactures steel and plastic boxes for electrical connections at outlet, switch, and junction locations; fittings for electrical wiring systems.

The Ohio Brass Company
Mansfield, Barberton & Wadsworth, Ohio
Newell, Oak Hill, and Huntington, West Virginia
Aiken, South Carolina

Harvey Hubbell Canada, Inc.
870 Brock Road South
Pickering, Ontario, Canada
(416) 839-1139

Manufactures products of Wiring Device, Ensign Electric, Industrial Controls, Kellems, Lighting and Watford Electric Divisions.

Harvey Hubbell Ltd.
Watford Electric Company, Ltd.
Kempston, Bedfordshire, England

Custom and standard automatic control gear of all types.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
New York, New York, 10001

Stock Exchange(s): American

Ticker Symbol: HUBA & HUBB

Number of Employees:

1984	5,200	1981	6,947
1983	5,671	1980	7,638
1982	5,700		

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 467,133,000	$ 42,001,000
1983	422,375,000	32,585,000
1982	413,990,000	35,053,000
1981	430,843,000	34,609,000
1980	389,973,000	29,936,000

	No. of Com Shares #	Earn. per Share #
1984	11,862,000	$ 3.37
1983	11,640,000	2.60
1982	11,369,000	2.85
1981	11,330,000	2.82
1980	11,220,000	2.43

‡ Of continuing operations.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.33	—	—
1983	1.22	—	—
1982	1.14	—	—
1981	1.05	—	—
1980	0.93	—	2-for-1

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 246,262,000	$ 20.76
1983	220,678,000	18.96
1982	198,541,000	17.46
1981	178,100,000	15.72
1980	159,215,000	14.19

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 467,133	$ 422,375
Cost of sales	318,776	285,163

Harvey Hubbell, Incorporated

Expenses	79,095	72,043
Interest expense	367	359
Interest income	(7,106)	(5,204)
Other expense (income)	323	(56)
Income before taxes	$ 75,678	$ 70,070
Income taxes	33,677	32,900
Inc.-cont. oper.	$ 42,001	$ 37,170
Loss-discont. oper.	—	(4,585)
Net Income	$ 42,001	$ 32,585

*Included in Costs and Expenses, Depreciation and Amortization: $10,410,000 in 1984 and $9,926,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 5,316	$ 3,186
Investments in securities	14,429	38,487
Accts. receiv., net	61,340	65,406
*Inventories	93,986	84,221
Prepaid expenses & other assets	13,364	7,664
Current Assets	$ 188,435	$ 198,964
#Fixed assets	81,070	75,300
Other assets	80,100	48,628
Total Assets	$ 349,605	$ 322,892

Liabilities
(000's)

Accts. payable	$ 17,873	$ 17,190
Accrued salaries	8,047	9,890
Accrued income taxes	11,238	6,040
Accrued taxes	3,489	4,063
Dividends payable	4,497	4,150
Accrued liabilities	20,590	21,167
Curr. Liabilities	$ 65,734	$ 62,500
Deferred income taxes	7,435	7,186
Long-term debt	2,700	2,700
Non-current liabilities	4,585	3,167
+Redeemable pref. stock	22,889	26,661
+ +Common stock:		
Class A	16,103	16,185
Class B	43,047	41,913
Add. paid-in capital	8,189	6,426
Retained earnings	183,987	159,651
Cum. trans. adj.	(5,064)	(3,497)
Total Liabilities & Shareholders' Equity	$ 349,605	$ 322,892

*At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation & amortization.
+ No par value.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.20	—
%Net Income to Sales	8.99	—
%Net Income to Equity	17.06	14.77
Sales to Inventories	4.97	5.02
Working Capital	$122,701,000	$136,464,000
Current Ratio	2.87	3.18
Shareholders' Equity	$246,262,000	$220,678,000

Hathaway Corporation

5250 East Evans Avenue
Denver, Colorado 80222
(303) 756-8301

Officers: Eugene E. Prince, chairman of the board, president & chief exec. officer; A.J. Hintze, vice chairman; James A. Bright, v.p.; E.J. Westback, v.p.; Richard D. Smith, v.p.-finance, secretary, treasurer & chief financial officer; Herbert G. Franson, mgr.-corporate planning & control, asst. treasurer & asst. secretary; William R. Holland, v.p.

Directors: A. J. Hintze, Bruce B. Brundage, Eugene E. Prince, Marvin J. Fein, Harold Y. Sampson.

Areas of Work: Manufactures electronics systems, instruments, and components. Products are sold to electric energy and industrial companies, as well as to computer printer and disk manufacturers.

Divisions:

Computer Motor Products Division
Owasso, Oklahoma

Data Systems Division
Denver, Colorado

Data Capture Technology
Tulsa, Oklahoma

Subsidiaries:

HDR Power Systems, Inc.
Columbus, Ohio

Computer Optical Products, Inc.
Chatsworth, California

Systems Northwest, Inc.
Seattle, Washington

First Colorado Leasing Corp.
Denver, Colorado

Transfer Agent(s):
Bank of America, N.T. & S.A.
Corporate Agency Service Center #9511
P.O. Box 37002
San Francisco, California 94137

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HATH (NASDAQ)

Number of Employees:

1984	400	1981	250
1983	273	1980	274
1982	236		

Plant Footage:

1984	113,751 sq. ft.	1981	75,000
1983	85,000	1980	65,000
1982	69,000		

Sales and Earnings

	Net Sales	Net Income +
1984	$ 21,509,000	$ 2,120,000
1983	18,423,000	1,802,000
1982	15,623,000	1,423,000
1981	13,545,000	522,020
1980	11,000,157	363,178

	No. of Com. Shares #	Earn. per Share + #
1984	2,313,153	$ 0.90
1983	2,257,406	0.77
1982	2,110,146	0.66
1981	2,070,780	0.25
1980	2,054,530	0.18

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
+ Including extraordinary credits of $105,000 ($0.05 per share) in 1982, $75,000 ($0.04 per share) in 1981, and $114,000 ($0.05 per share) in 1980.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.18	—	—
1983	0.11	—	2-for-1
1982	0.09	—	5-for-4
1981	0.055	—	—
1980	0.055	—	—

# Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 8,797,000	$ 3.80
1983	6,537,000	2.90
1982	4,215,000	2.00
1981	2,914,000	1.41
1980	2,500,620	1.22

+ Adjusted to reflect stock splits.

Income Account *

Year ended	6/30/84	7/2/83
Net sales	$ 21,509,000	$ 18,423,000
Cost of sales	11,359,000	9,203,000
Expenses	6,880,000	6,365,000
Interest income	(68,000)	(107,000)
Other expense (income)	87,000	(25,000)
Litigation expense	109,000	45,000
Income before taxes	$ 3,142,000	$ 2,942,000
Income taxes	1,022,000	1,140,000
Net Income	$ 2,120,000	$ 1,802,000

* Included in Costs and Expenses, Depreciation and Amortization: $513,000 in 1984 and $422,000 in 1983.

Assets

As of	6/30/84	7/2/83
Cash	$ 460,000	$ 102,000
Marketable securities	1,561,000	1,381,000
Receiv., net	4,187,000	3,434,000
*Inventories	3,917,000	2,644,000
Prepaid expenses	178,000	152,000
Current Assets	$ 10,303,000	$ 7,713,000
#Fixed assets	2,009,000	1,564,000
Investments	1,374,000	635,000
Executive loan program	767,000	—
Other assets	451,000	416,000
Total Assets	$ 14,904,000	$ 10,328,000

Liabilities

Notes payable	$ 893,000	$ 387,000
Long-term debt, curr.	453,000	—
Accts. payable	1,325,000	591,000
Accruals	1,150,000	978,000
Warranty reserve	209,000	255,000
Inc. taxes pay.	—	194,000
Empl. stock bonus plan	184,000	221,000
Curr. Liabilities	$ 4,214,000	$ 2,626,000
Long-term debt	672,000	496,000
Deferred inc. taxes	1,095,000	337,000
Deferred gain on sale	126,000	332,000
+Common stock	100,000	100,000
Add. paid-in capital	3,557,000	2,981,000
Retained earnings	5,172,000	3,465,000
Treasury stock	(32,000)	(9,000)
Total Liabilities & Shareholders' Equity	$ 14,904,000	$ 10,328,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.61	15.97
%Net Income to Sales	9.86	9.78
%Net Income to Equity	24.10	27.57
Sales to Inventories	5.49	6.97
Working Capital	$6,089,000	$5,087,000
Current Ratio	2.44	2.94
Shareholders' Equity	$8,797,000	$6,537,000

Hazeltine Corporation

Commack, New York 11725
(516) 462-5100

Officers: Sal J. Nuzzo, president & chief exec. officer; Albert Arbeeny, v.p.-color analysis & simulation product line; Henry L. Bachman, v.p.-engineering; Frederick C. Brehm, sr. v.p. & gen. mgr.-government systems & products; Joseph R. Colarusso, sr. v.p.-business development; Randolph H. Cope, sr. v.p.-research; James W. Evans, v.p.-community & public relations; Martin J. Faber, Jr., v.p.-international; Charles A. Furciniti, v.p.-defense marketing; John B. Guelfi, v.p. & controller; Raymond J. Hoehn, sr. v.p.& deputy gen mgr.-government systems & prod.; Herbert Huebscher, v.p.-strategic planning; David E. Kern, sr. v.p.-finance & human resources & chief financial officer; Bernard D. Loughlin, v.p.-technology; Donald P. Neuhaus, v.p.-central engineering specialties; Robert F. Normandin, sr. v.p.-C^3I systems & products; Arthur J. Stanziano, v.p.-government relations; William E. Kirkpatrick, v.p.-communications systems product line; Edward Reynolds, treasurer; Kenneth P. Robinson, v.p., gen. counsel & secretary; James A. Kennedy, asst. v.p-financial analysis; Walter E. Tedford, George S. Thomas, asst. v.p.'s-international; Charles G. Berendsen, v.p.-program management; Martin H. Berlin, v.p.-materials; John T. Buck, v.p.-EJS program; Raymond E. Daugherty, v.p.-production programs; John T. Flynn, v.p.-electronic identification product line; Richard C. Gloekler, v.p.-mfg.; Donald L. Miller, v.p.-navigational systems; Richard H. Miller, v.p.-operations; Walter L. Schiff, v.p. & gen. mgr.-training system center; Walter Stark, v.p.-contracts, admin., counsel & asst. secty.; John L. Volk, v.p.-computer systems products line; Edwin R. Joly, asst. treasurer; Edward A. Onders, associate gen. counsel & asst. secretary.

Directors: Robert H. Clark, Jr., chairman, Wesley J. Hennessy, Charles A. Specht, Sal J. Nuzzo, George E. Peterson, Jr., Richard T. Niner, John W. Dwyer, William F. Whitman, Jr., Herbert I. Fusfeld.

Areas of Work: Designs, develops and manufactures color film analyzers, graphic arts previewers, and government products consisting of air traffic control equipment; electronic displays for defense and other government purposes, including displays for use in early warning, command and control systems, tactical displays and digital video display systems; antisubmarine warfare equipment, aircraft identification (IFF) systems, modems for communications, microwave systems and computer-based training systems.

Divisions and Subsidiaries:

Government Systems and Products
Greenlawn, New York 11740
(516) 261-7000

Hazeltine Research Inc.
188 Industrial Drive
Suite 315
Elmhurst, Illinois 60126
(312) 833-5060

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: HZ

Number of Employees:

1984	2,450	1981	2,700
1983	2,400	1980	2,800
1982	2,400		

Plant Footage:

1984	829,005 sq. ft.	1981	927,722
1983	812,900	1980	871,000
1982	819,522		

Sales and Earnings

	Revenues +	Net Income
1984	$ 173,779,000	$ 10,730,000
1983	142,527,000	2,620,000
1982	125,646,000	630,000
1981	105,729,000	1,865,000
1980	89,566,000	4,840,000

	No. of Com. Shares †	Earn. per Share ‡
1984	6,249,032	$ 1.72
1983	6,209,852	0.42
1982	6,176,580	0.10
1981	6,166,287	0.30
1980	6,141,612	0.79

+ Of continuing operations only.
† Adjusted to reflect stock split.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.35	—	—
1983	0.31⅓	—	3-for-1
1982	0.27⅓	—	—
1981	0.26⅔	—	—
1980	0.25	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 53,769,000	$ 8.60
1983	45,203,000	7.28
1982	44,453,000	7.20
1981	45,450,000	7.37
1980	45,124,000	7.35

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Revenues	$ 173,779,000	$ 142,527,000
Cost of sales	138,309,000	111,802,000
Contract loss	—	12,000,000
Expenses	19,920,000	17,318,000
Other expense (income)	220,000	(295,000)
Interest income	(2,374,000)	(1,849,000)
Interest expense	60,000	168,000
Income before taxes	$ 17,644,000	$ 3,383,000
Income taxes	6,914,000	763,000
Net Income	$ 10,730,000	$ 2,620,000

* Included in Costs and Expenses, Depreciation: $5,062,000 in 1984 and $3,903,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & temp. cash invest.	$ 22,315,000	$ 26,356,000
Accts. receiv., net	35,520,000	23,390,000
*Inventories	28,361,000	21,408,000
Value of assets held for dispos.	—	1,950,000
Prepaid expenses	350,000	387,000
Current Assets	$ 86,546,000	$ 73,491,000
#Property, plant & equipment	34,338,000	31,246,000
Other assets	315,000	230,000
Total Assets	$ 121,199,000	$ 104,967,000

Liabilities

Accts. payable	$ 7,906,000	$ 7,214,000
Accruals	32,489,000	32,719,000
Deferred income taxes	15,414,000	8,687,000
Current Liabilities	$ 55,809,000	$ 48,620,000
Deferred compensation	1,121,000	644,000
Deferred inc. taxes	10,500,000	10,500,000
+ Common stock	14,748,000	14,750,000
Retained earnings	39,098,000	30,550,000
Treasury stock	(77,000)	(97,000)
Total Liabilities & Shareholders' Equity	$ 121,199,000	$ 104,967,000

* Stated on basis of accumulated costs less portions of such costs allocated to products delivered, but not in excess of estimated recoverable amounts.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.15	—
%Net Income to Revenues	6.17	—
%Net Income to Equity	19.96	5.80
Working capital	$30,737,000	$24,871,000
Current Ratio	1.55	1.51
Shareholders' Equity	$53,769,000	$45,203,000

HCC Industries

16311 Ventura Boulevard
Suite 1180
Encino, California 91436
(818) 995-4131

Officers: Jack Goldfarb, chairman of the board and chief exec. officer; Alan W. Wong, chief financial officer; Andrew Goldfarb, president; Michael Pelta, vice chairman; William J. Onderdonk, v.p.; Eugene E. Harrison, secretary.

Directors: Jack Goldfarb, Michael Pelta, Andrew Goldfarb, Robert Goldstein, Morris A. Steinberg, Eugene E. Harrison, Jerry A. Grundhofer.

Areas of Work: Manufactures hermetic seals (terminals, leaders, connectors and hybrid semi-conductor packages) and sensing devices (transducers) used principally in defense electronics, industrial controls, medical and exploration equipment and other applications. Designs, manufactures and markets precision electronic components - hermetically sealed electronic connection devices, electromechanical and other types of sensors (transducers) for aerospace and military electronics, oil and gas, medical electronics and test measurement industries, and power conversion components for use in and/with computers, telecommunications systems and other electronic equipment.

Subsidiaries:

Hermetic Seal Corporation
4232 Temple City Boulevard
Rosemead, California 91770

Transducer Controls Corporation
7800 Deering Avenue
Canoga Park, California 91304

HCC Industries Int'l.
Beaver House –
Victoria Road
Swindon, Wiltshire, U.K.

Technological Development & Automation Ltd.
(38% owned)
Atidim Industrial Park
Tel Aviv, Israel
Manufactures transducers (lead cells) used principally in all types of electronic sales.

Computer Magnetics Corporation
121 Hale Street
Lowell, Massachusetts 01850

Merrimack Magnetics Corporation
Manufactures transformers

Glasseal Products, Inc.
485 Oberlin Avenue
Lakewood, New Jersey 08701

Sealtron, Inc.
9705 Reading Road
Cincinnati, Ohio 45215

Transfer Agent(s):

City National Bank
Beverly Hills, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HCCI (NASDAQ)

Number of Employees:

1984	790	1981	335
1983	912	1980	299
1982	511		

Plant Footage:

1984	275,000 sq. ft	1982	185,000
1983	275,000	1981	100,000

Sales and Earnings

	Net Sales †	Net Income +
1985	$ 37,757,000	$ 1,039,000
1984	30,229,000	1,148,000
1983	16,668,000	1,122,000
1982	16,082,000	895,000
1981	14,612,000	1,668,000

	No. of Com. Shares	Earn. per Share ‡
1985	1,773,200	$ 0.57
1984	1,911,200	0.60
1983	1,910,200	0.59
1982	1,910,200	0.47
1981	1,915,400	0.91

† Of continuing operations only.
+ Including extraordinary loss of $326,000 ($0.18 per share) in 1985.
‡ Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.06	—	—
1984	0.06	—	—
1983	0.06	—	—
1982	0.06	—	—
1981	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 11,405,000	$ 6.43
1984	11,554,000	6.05
1983	10,512,000	5.50
1982	9,226,000	4.83
1981	8,478,000	4.43

Income Account *

Year ended	3/30/85	3/31/84
Net sales	$ 37,757,000	$ 30,229,000
Cost of sales	26,202,000	21,161,000
Expenses	7,625,000	5,949,000
Interest income	(945,000)	(1,260,000)
Eq. in losses (earn.) of unconsol. subsid.	82,000	(65,000)
Interest expense	2,084,000	2,421,000
Loss on market secur.	142,000	—
Income before taxes	$ 2,567,000	$ 2,023,000
Income taxes	1,202,000	875,000
Net Income	$ 1,365,000	$ 1,148,000
Extraord. loss	(326,000)	—
Net Income & extroard. loss	$ 1,039,000	$ 1,148,000

* Included in Costs and Expenses, Depreciation and Amortization: $851,000 in 1985 and $754,000 in 1984.

Assets

As of	3/30/85	3/31/84
Cash	$ 3,971,000	$ 8,595,000
Treasury bills	2,581,000	—
Marketable securities	1,935,000	2,977,000
Accts. receiv., net	5,674,000	5,852,000
*Inventories	6,352,000	5,814,000
Notes receiv.	152,000	829,000
Current Assets	$ 20,665,000	$ 24,067,000
#Fixed assets	7,051,000	7,095,000
Other assets	5,323,000	5,809,000
Total Assets	$ 33,039,000	$ 36,971,000

Liabilities

Accts. payable & accruals	$ 5,680,000	$ 6,425,000
Inc. taxes payable	408,000	476,000
Curr. Liabilities	$ 6,088,000	$ 6,901,000
Long-term debt	13,557,000	17,334,000
Adv. from unconsol. subsid.	1,989,000	1,182,000
Common stock	2,787,000	3,277,000
Retained earnings	8,618,000	8,277,000
Total Liabilities & Shareholders' Equity	$ 33,039,000	$ 36,971,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.

Statistical Summary

% Income bef. Taxes to Sales	6.80	6.69
% Net Income to Sales	3.62	3.80
% Net Income to Equity	11.97	9.94
Sales to Inventories	5.94	5.20
Working Capital	$14,577,000	$17,166,000
Current Ratio	3.39	3.49
Shareholders' Equity	$11,405,000	$11,554,000

Healthdyne, Inc.

2253 Northwest Parkway
Marietta, Georgia 30067 USA
(404) 955-9555

Officers: Parker H. Petit, chairman of the board and chief executive officer; Denis J. Devane, president and chief operating officer; J. Brent Burkey, v.p., general counsel and corporate secretary; J. Terry Dewberry, exec. v.p.; Andrew J. Gondek, president-Technology Group; Richard L. Klein, v.p.-finance and chief financial officer; Jeffrey D. Koepsell, president-Health Care Services Group; Yvonne V. Scoggins, treasurer and asst. secretary; James J. Tuite, corporate controller; J. Paul Yokubinas, exec. v.p.

Directors: Parker H. Petit*, chairman of the board; A. Russell Chandler, III*, J. Terry Dewberry, Andrew J. Gondek, Brian D. Hogg*, W. Scott James, M.D.*, E. Roe Stamps, IV*, J. Leland Strange*, J. Paul Yokubinas.

* Member of the Executive Committee.

Areas of Work: The Company is a diversified medical products manufacturer and health care services company. The Company designs, manufactures and markets a line of high-technology devices for the home health care and hospital markets. In the service area, the Company is a provider of home health care support for technology-related therapies and certain hospital equipment services.

Divisions and Subsidiaries:

INFANT CARE PRODUCTS:

Healthdyne Infant Monitors
Air-Shields Isolette® Infant Incubators
Air-Shields Intensive Care Warmers
Air-Shields Transport Incubators
Air-Shields Jaundice Management Equipment
Air-Shields Transport Intensive Care Systems

SURGICAL PRODUCTS:

Air-Shields Drainage Pumps
Air-Shields Wound Drainage Disposables

PULMONARY CARE PRODUCTS:

Healthdyne Ventilators
Healthdyne Monitoring Equipment
Healthdyne Oxygen Concentrators
Air-Shields Anesthesia Ventilators

PATIENT MONITORING PRODUCTS:

Air-Shields Vital Sign Monitors
Air-Shields Blood Pressure Monitors
Air-Shields Bedside and Central Station Monitors
Air-Shields Transcutaneous Monitors
Porta-Fib® Monitor/Defibrillators

INTRAVENOUS THERAPY PRODUCTS:

Air-Shields I.V. Pumps and Accessories

CARDIOVASCULAR PRODUCTS:

Healthdyne Blood Pressure Transducers and Cardiovascular Disposables
Delta Hemodynamic Monitoring Products
Delta Extracorporeal Products

Transfer Agent(s):

Trust Company of Georgia
Trust Company of Georgia Building
Atlanta, Georgia 30302

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HDYN (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
12/31/84	$ 134,424,000	$ (35,207,000)
12/31/83	132,712,000	5,289,000
12/31/82*	38,127,000	1,717,000
4/30/82	24,402,000	3,961,000
4/30/81	9,987,000	1,083,000

	No. of Com. Shares ‡	Earn. per Share
12/31/84	14,199,000	$ —
12/31/83	13,770,000	0.38
12/31/82*	10,425,000	0.16
4/30/82	8,085,000	0.49
4/30/81	5,676,000	0.19

(Loss)
* 8 months.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
12/31/84	$ 99,558,000	$ 7.01
12/31/83	134,851,000	9.79
12/31/82	71,250,000	6.83
4/30/82	17,297,000	2.14
4/30/81	3,199,000	0.56

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 111,807	$ 115,180
Rentals	22,617	17,532
Total revenues	$ 134,424	$ 132,712
Cost of sales	73,854	70,888
Expenses	73,810	55,003
Interest income	(500)	(1,009)
Interest expense	6,295	3,036
Loss on sale of subsid.	5,168	—
Loss on assets held for sale	6,743	—
Discount on invest.	1,120	—
Loss on litigation settle.	6,406	—
Other income	(962)	(1,381)
Inc. (loss) bef. taxes	$ (37,510)	$ 6,175
Income taxes (credit)	(2,303)	886
Net Income (Loss)	$ (35,207)	$ 5,289

* Included in Costs and Expenses, Depreciation and Amortization: $8,595,000 in 1984 and $5,196,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 4,035	$ 3,027
Accts. receiv., net	28,848	36,554
Notes receivable	600	1,340
Refundable taxes	3,937	4,393
Other receivables	1,943	2,575

*Inventories	28,522	36,091
Prepaid expenses	667	1,348
Deferred inc. taxes	1,159	1,272
Assets held for sale	3,546	—
Other curr. assets	89	1,013
Current Assets	$ 73,346	$ 87,613
Investments	5,129	2,520
#Fixed assets	31,395	30,286
Notes receivable	2,660	2,472
Other assets	2,972	2,050
Intangibles	49,125	48,914
Total Assets	$ 164,627	$ 173,855

Liabilities
(000's)

Notes payable	$ 890	$ —
Long-term debt, curr.	3,284	5,099
Accts. payable	7,385	8,741
Accruals	10,373	11,530
Curr. Liabilities	$ 21,932	$ 25,370
Long-term debt	35,365	12,334
Deferred inc. taxes	864	984
Other liabilities	4,208	316
Convert. subord. deben.	2,700	—
+ Common stock	144	143
Add. paid-in capital	126,133	126,047
Retained earnings (deficit)	(26,611)	12,023
Cum. trans. adjust.	(108)	(30)
Treasury stock	—	(3,332)
Total Liabilities & Shareholders' Equity	$ 164,627	$ 173,855

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	5.36
%Net Income to Sales	—	4.59
%Net Income to Equity	—	5.31
Sales to Inventories	3.92	3.19
Working Capital	$ 51,414,000	$62,243,000
Current Ratio	3.34	3.45
Shareholders' Equity	$134,851,000	$99,558,000

Hermetite Corp.

100 Ladge Drive
P.O. Box 636
Avon, Massachusetts 02322
(617) 583-7000

Officers: Morton Ladge, chairman of the board; John Ladge, president; Francis G. Vaccaro, v.p.-engineering; Lawrence N. Fox, v.p. & treasurer; Arthur Ladge, v.p.-operations.

Directors: Morton Ladge, Francis G. Vaccaro, John Ladge, Joseph L. Bower, Lawrence M. Levinson, James S. Shulman.

Areas of Work: Manufactures and sells a line of hermetic seals for the electronics and electrical industries.

Subsidiary:

Norfolk Avon Realty Trust
100 Ladge Drive
Avon, Massachusetts 02322

Transfer Agent(s):

Registrar and Transfer Company
Cranford, New Jersey

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	250	1982	250
1983	250		

Plant Footage:

1984	47,000 sq. ft.	1981	37,000
1983	47,000	1980	37,000
1982	37,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 11,960,653	$ (782,068)
1983	8,894,314	(315,345)
1982	9,831,242	(19,714)
1981	9,483,350	466,022
1980	11,167,718	487,194

	No. of Com. Shares	Earn. per Share #
1984	414,800	$ —
1983	414,800	—
1982	414,800	—
1981	414,800	1.12
1980	414,800	1.17

(Loss)
Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,965,459	$ 4.74
1983	2,747,527	6.62
1982	3,062,872	7.38
1981	3,082,586	7.36
1980	2,616,564	6.31

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 11,960,653	$ 8,894,314
Interest & other income	63,803	46,911
Total revenues	$ 12,024,456	$ 8,941,225
Cost of sales	10,498,655	7,629,218
Expenses	2,201,381	1,893,992
Interest expense	414,889	127,210
Other income	—	(88,150)
Loss before taxes	$ (1,090,469)	$ (621,045)
Tax credit	(308,401)	(305,700)
Net Loss	$ (782,068)	$ (315,345)

* Included in Costs and Expenses. Depreciation $187,641 in 1984 and $123,322 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 54,683	$ 238,993
Marketable securities	12,306	12,306
Accts. & notes receiv., net	1,728,512	1,355,428
Refundable income taxes	243,012	719,888
*Inventories	3,861,739	2,596,944
Prepaid expenses	77,639	86,320
Current Assets	$ 5,977,891	$ 5,009,879
#Fixed Assets	1,739,625	1,436,526
Other assets	17,543	11,912
Total Assets	$ 7,735,059	$ 6,458,317

Liabilities

Long-term debt, curr.	$ 881,329	$ 46,380
Accts. payable	992,356	810,553
Accruals	639,919	671,690
Income taxes	6,445	—
Obligations under capital leases, curr.	30,449	—
Curr. Liabilities	$ 2,550,498	$ 1,528,623
Long-term debt	3,057,933	2,110,321
Obligations under capital leases	161,169	—
Deferred income taxes	—	71,846
+ Common stock	41,480	41,480
Add. paid-in capital	636,941	636,941
Retained earnings	1,287,038	2,069,106
Total Liabilities & Shareholders' Equity	$ 7,735,059	$ 6,458,317

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	3.10	3.42
Working Capital	$3,427,393	$3,481,256
Current Ratio	2.34	3.28
Shareholders' Equity	$1,965,459	$2,747,527

Hewlett-Packard Company

3000 Hanover Street
Palo Alto, California 94304
(415) 857-1501

Officers: David Packard, chairman of the board; William R. Hewlett, vice chairman; John A. Young, pres. & chief exec. officer; Robert L. Boniface, Paul C. Ely, Jr., William E. Terry, Dean O. Morton, Richard C. Alberding, John L. Doyle, exec. v.p.'s; Alfred P. Oliverio, sr. v.p.-mktg.; James L. Arthur, v.p. & director-U.S. Field Operations; S.T. Jack Brigham III, v.p., corp. secty. & gen. counsel; Douglas C. Chance, v.p. & gen. mgr.-Information Systems; Jean C. Chognard, v.p.-patents & licenses; Harold E. Edmondson, v.p.-mfg.; Franco Mariotti, v.p.-Europe; Richard A. Hackborn, v.p. & gen. mgr.-Peripherals; Lewis E. Platt, v.p. & gen. mgr.-Manufacturing Systems Group; Alan D. Bickell, v.p. & dir.-Intercontinental Operations; Joel S. Birnbaum, v.p. & dir.-Hewlett-Packard Laboratories; Johan F. Blokker, v.p. & gen. mgr.-Components Group; William G. Parzybok, Jr., v.p. & gen. mgr.-Design Systems Group; Robert P. Wayman, v.p., chief fin. officer & controller; Cyril J. Yansouni, v.p. & gen. mgr.-Personal Computers Group; George F. Newman, Jr., treasurer.

Directors: David Packard, chairman; William R. Hewlett, Paul C. Ely, Jr., William E. Terry, Ernest C. Arbuckle, Robert J. Glaser, Robert L. Boniface, Antonie T. Knoppers, John A. Young, James D. Hodgson, Dean O. Morton, John B. Fery, Harold J. Haynes, Shirley M. Hufstedler, Shozo Yokogawa, Paul F. Miller, Jr., Hicks B. Waldron.

Areas of Work: Through the instrument and components group, manufactures electronic test and measurement products. These products include microwave semiconductors, light emitting diodes and fiber optic components, logic analyzers, voltmeters, frequency analyzers, power supplies, board testers, plotters, recorders, oscilloscopes, counters, frequency sources, network and signal analyzers, signal generators, automated test equipment, distance measurement instruments, component measurement equipment and micro processor development systems. Computer and personal computation groups manufacture electronic data products. These products include small to medium scale computer systems for business, scientific and industrial applications, desktop computers, personal computers, personal scientific and business programmable calculators, data terminals, printers and disk and tape memories. The medical group manufactures medical electronic equipment. These products include continuous monitoring system for critical care patients, medical data management systems, fetal monitors, electrocardiographs and related interpretive and stress, pulmonary function analyzers, cardiac catheterization laboratory systems, blood gas measuring instruments, ultrasonic imaging systems, cardiac defibrillators and hospital supplies. Products of the analytical instrumentation group include gas chromatographs, liquid chromatographs, mass spectrometers combined with chromatographs, spectrophotometers, laboratory automation systems and integrators.

Divisions and Subsidiaries:

COMPONENTS GROUP

Microwave Semiconductor Division
350 West Trimble Road
San Jose, California 95131
(408) 263-7500

RF (radio frequency) and microwave diodes, microwave transistors, microwave components, bar-code entry products.

Optoelectronics Division
640 Page Mill Road
Palo Alto, California 94304
(415) 857-6201

Alphanumeric and LED displays, lamps, light bars and linear arrays.

Optical Communication Division
640 Page Mill Road
Palo Alto, California 94304
(415) 857-1501

Fiber-optic and optocouplers.

Southeast Asia Operation
Hewlitt-Packard Malaysia
Phase I, Bayan Lepas Free Trade Zone
Penang, Malaysia
Semiconductor devices; computer memories

DESIGN SYSTEMS GROUP

Fort Collins Systems Division
3404 East Harmony Road
Fort Collins, Colorado 80525
(303) 226-3800
Advanced, 32-bit, desktop computers, computing controllers, systems and peripheral equipment for science and engineering.

Boblingen Engineering Operation
Hewlett-Packard GmbH
Federal Republic of Germany
Mechanical computer-aided design software

Boblingen Computer Division
Hewlett-Packard GmbH
Herrenbergerstrasse 130
D-7030 Boblingen
Federal Republic of Germany

Colorado Springs Division
1900 Garden of the Gods Road
Colorado Springs, Colorado 80901
(303) 598-1900
General-purpose and high-performance oscilloscopes, including automatic waveform measurement; cathode-ray tube displays; logic analyzers.

Lake Stevens Instrument Division
6330 Marine Drive
Marysville, Washington 98270
(206) 335-2000
Synthesizers and low-frequency spectrum and network analyzers for communications and electronics equipment; waveform generators and dynamic analyzers for electromechanical and mechanical systems.

Fort Collins Engineering Operation
3404 East Harmony Road
Fort Collins, Colorado 80525
(303) 226-3800
Personal technical computer software.

Logic Design Operation
Centennial Annex D-2
Colorado Springs, Colorado 80907-0617
CAD/CAM system design

Logic Systems Division
1900 Garden of the Gods Road
Colorado Springs, Colorado 80901
Logic-development systems for microprocessor and digital products.

ELECTRONIC INSTRUMENTS GROUP

Boblingen Instrument Division
Hewlett-Packard GmbH
Herrenbergerstrasse 130
D-7030 Boblingen
Federal Republic of Germany
Logic signal sources and data generators, plotters and microprocessor development systems.

Colorado Springs Tech Center
1900 Garden of the Gods Road
Colorado Springs, Colorado 80901
(303) 598-1900
Analog and digital thick film hybrids for all HP divisions.

YHP Instrument Division
Yokogawa-Hewlett-Packard, Ltd.
9-1, Takakura-Cho
Hachioji-Shi
Tokyo 192, Japan
Component and semiconductor measuring instruments and systems (ICR meters, impedance analyzers, semiconductor parameter test systems) for worldwide sales and a variety of other products for the Japanesee market.

Loveland Tech Center
815 Fourteeenth Street S.W.
Loveland, Colorado 80537
(303) 667-5000
Analog and digital multimeters, computers-controlled instrument systems (data-loggers, data acquisition systems, components-test instrumentation).

New Jersey Division
150 Green Pond Road
Rockaway, New Jersey 07866
(291) 627-6400
Regulated direct current laboratory and industrial power supplies, OEM (original-equipment manufacturer) modular power supplies, digitally-controlled power sources, automatic-test and control-system components.

Santa Clara Division
5301 Stevens Creek Boulevard
Santa Clard, California 95050
(408) 246-4300
Electronic counters, digital IC (integrated circuit testers, microprocessor servicing and training products, waveform recorders (transient analyzers or digital oscilloscopes), digital printers, atomic frequency and time standards, laser measurement systems, temperature and pressure measurement systems.

Santa Clara Tech Center
5301 Stevens Creek Boulevard
Santa Clara, California 95050
(408) 246-4300
Integrated circuits, and standard and custom parts, for HP's instrument divisions.

YHP Computer Operation*
Yokogawa-Hewlett-Packard, Ltd.
9-1, Takakura-Cho
Hachioji-Shi
Tokyo 192, Japan
*Part of YHP Instrument Division

MICROWAVE AND COMMUNICATIONS INSTRUMENT GROUP

Colorado Telecommunications Division
5060 Centennial Boulevard
Colorado Springs, Colorado 80933
(303) 593-8700
Transmission-test instruments for testing digital and analog parameters of voice and data channels; data-communication network test equipment (protocol analyzers and digital and analog test instruments).

Queensferry Telecommunications Division
Hewlett-Packard LTD.
South Queensferry
West Lothian EH30 9TG
Scotland
Dedicated test and measuring instruments and systems for telecommunications in the areas of microwave radio, FDM (frequency division multiplex), voice/data, PCM/TDM (pulse code modulation/time-division multiplex); transmission-impairment measuring sets and sweep oscillators.

Queensferry Microwave Operation
South Queensferry
West Lothian EH30 9TG
Scotland
Products for mobile communications, RF (radio frequency) communications, and cellular radio.

Stanford Park Division
1501 Page Mill Road
Palo Alto, California
(415) 857-1500
Microwave signal generators and synthesizers; noise-figure meters; power meters; coaxial and waveguide measuring equipment.

Spokane Division
1620 Signal Drive TAF C-34
Spokane, Washington 99220
(509) 922-4001
RF (radio frequency) signal generators and synthesizers, RF measuring receivers and RF transceiver test equipment.

Signal Analysis Division
1212 Valley House Drive
Rohnert Park, California 94928
(707) 525-1400
Radio-frequency and microwave spectrum analyzers and related signal analysis equipment.

Network Measurements Division
1400 Fountain Grove Parkway
Santa Rosa, California 95404
(707) 525-1400
RF (radio frequency) and microwave-network analyzers (vector and scalar); sweep oscillators and synthesized sweep-signal generators.

Microwave Technology Division
1400 Fountain Grove Parkway
Santa Rosa, California 95404
(707) 525-1400
High frequency transistors and diodes, SAW (surface-acoustical-wave) devices, YIG (ytrium-iron-garnet) spheres; integrated circuits, thick and thin film circuits and microwave packages, all for HP divisions.

INFORMATION NETWORKS GROUP

Roseville Networks Division
8000 Foothills Blvd.
Roseville, California 95678
(916) 786-8000
Measurement and control automation products, HP computer I/O (input/output) cards and data communications products.

Information Networks Division
19420 Homestead Road
Cupertino, California 95014
(408) 725-8111
Data-communications hardware and software; business software tools to speed program development; automation systems and software for the "interactive office".

Colorado Networks Operations
700 71st Avenue
Greeley, Colorado 80631
(303) 356-9301
Software and hardware to connect computer products.

Grenoble Networks Division
Hewlett-Packard France
5 Rue Raymond Chanas
F-38320 Eybens
France
Industrial terminals and low-cost terminals, personal computers; data-communications hardware and software.

INFORMATION SYSTEMS GROUP

Computer Systems Division
19447 Pruneride Avenue
Cupertino, California 95014
(408) 725-8111
Business computer systems for interactive, on-line processing, data-base management and distributed data processing.

CSY Roseville Operation
8010 Foothills Boulevard
Roseville, California 95678
(916) 786-8000
Business computer systems for interactive, on-line data processing, data base management and distributed data processing.

Office Productivity Division
Hewlett-Packard Ltd.
Nine Mile Ride
Easthampstead
Wokingham, Berkshire, England
Office-systems software and support for business computer systems.

Financial Systems Operation
370 West Trimble Road
San Jose, California 95131
(408) 263-7500
Software for HP business computers.

Information Resources Operation
7995 E. Prentice
Englewood, Colorado 80111
(303) 773-1992
Software for marketing and distributing organizations.

Guadalajara Computer Operation
Monte Morelos 299
Frac. Loma Bonita
Guadalajara, Talisco 45060
Mexico
(Telephone) 532-6-22-0250
Business computers and software.

Boblingen General Systems Division
Hewlett-Packard GmbH
Herrenbergerstrasse 130
D-7030 Boblingen
Federal Republic of Germany
Programmable desktop-computer systems and peripheral equipment for European scientific and industrial applications.

Administrative Productivity Division
370 West Trimble Road
San Jose, California 95131
Administrative and applications software, including distribution and financial.

Administrative Productivity Operation*
Herrenbergerstrasse 130
D-7030 Boeblingen, Federal Republic of Germany
Financial applications software
*Part of Administrative Productivity Division

INFORMATION TECHNOLOGY GROUP

Cupertino IC Division
11000 Wolfe Road
Cupertino, California 95014
Custom integrated circuits for HP computers, peripherals, and instruments.

Fort Collins IC Division
3403 East Harmony Road
Fort Collins, Colorado 80525

Information Technology Group
Northwest IC Division
1020 N.E. Circle Boulevard
Corvallis, Oregon 97330

COMPUTER PERIPHERALS GROUP

Boise Division
11311 Chinden Boulevard
Boise, Idaho 83707
(208) 376-6000
Impact and non-impact system line printers.

Disc Memory Division
11411 Chinden Boulevard
Boise, Idaho 83707
(208) 376-6000
Disc memory products and associated microprocessor-implemented controllers for computer systems.

Greeley Division
700 71st Avenueny Road
Greeley, Colorado 80631
(303) 356-9301
Flexible mass-storage devices; magnetic tape drives, local networking and data-communication products.

Vancouver Division
18110 S.E. 34th Street
Vancouver, Washington 98706
Word-processing, thermal, multi-purpose data-processing printers.

Computer Peripherals Bristol Division
Great Western Business Park
North road
Yate
Bristol BS17, England
Middle-range mass storage products.

San Diego Division
16399 W. Bernardo Drive
San Diego, California 92127
(714) 487-4100
Digitizers, graphic tablets, instrumentation tape recorders, graphic plotters, recorder supplies, and X-Y, strip chart and oscillographic recorders.

PERSONAL COMPUTER GROUP

Handheld Computer and Calculator Operation
1010 N.E. Circle Boulevard
Corvallis, Oregon 97330
(503) 757-2000
Calculators for science and business; portable and handheld computers.

Portable Computer Division
1010 N.E. Circle Boulevard
Corvallis, Oregon 97330
(503) 757-2000
Personal computer systems and handheld computers and calculators.

Hewlett-Packard Do Brasil
Rua Joao Sulinsk[illegible]
13100 - Campinas, Sao Paulo
Brazil
Scientific and business calculators and personal computers.

Hewlett-Packard Singapore Pte. Ltd.
1150 Depot Road
Singapore 0410
Personal, scientific and business calculators.

Roseville Terminals Division
3625 Cincinnati Avenue
Rocklin, California 95677
(916) 786-8000
Data terminals.

Personal Office Computer Division
978 East Arques
Sunnyvale, California 94086
(408) 735-1550
Small computers for the business market, interactive, microprocessor-implemented alphanumeric and graphics CRT (cathode-ray tube) terminals for data processing and communications.

Grenoble Personal Computer Division
Hewlett-Packard France
5 Rue Raymond Chanas
F-38320 Eybens
France
Industrial terminals and low-cost terminals.

Hewlett-Packard Puerto Rico
Highway 459 KM 1
Montana Industrial Park
Aguadilla, Puerto Rico 00603
Interactive, microprocessor implemented alphanumeric and graphics CRT (cathode-ray tube) terminals.

Personal Software Division
3410 Central Expressway
Santa Clara, California
(408) 725-8111
Software for personal computers; computer-aided work software and common user interfaces for portable computers, terminals and workstations.

Personal Computer Group Operation
11000 Wolfe Road
Cupertino, California 95014

Personal Computer Distribution Operation
Sunnyvale, California
Manages worldwide distribution of HP personal computers and related peripherals, software, supplies and accessories.

ANALYTICAL GROUP

Avondale Division
Route 41 & Starr Road
Avondale, Pennsylvania 19311
(215) 268-2281
Gas and liquid chromatographs, automatic liquid samplers, digital integrators, analytical laboratory-data systems, chromatography columns and consumables.

Scientific Instruments Division
1601 California Avenue
Palo Alto, California
(415) 857-1501
Gas chromatograph/mass spectrometers, GC/MS data systems, UV-visible diode-array spectrophotometers.

Waldbronn Division
Hewlett-Packard GmbH
P.O. Box 1280
D-7517
Waldbronn, Federal Republic of Germany
Liquid chromatographs, gas chromatographs and snalytical laboratory-data systems; liquid chromatograph detectors.

Analytical Supplies Operation
Route 41 & Starr Road
Avondale, Pennsylvania 19311
High quality gas and liquid chromatograph columns; also, distributes general supplies for the laboratory and supplies specifies for use with HP instrumentation.

Laboratory Automation systems Operation
Route 41 and Starr Road
Avondale, Pennsylvania 19311
Software and hardware to improve laboratory productivity and information management.

MANUFACTURING SYSTEMS GROUP

Data Systems Division
11000 Wolfe Road
Cupertino, California 95014
(408) 257-7000
Technical real-time computers and computer systems for factory automation, manufacturing and OEM (original equipment manufacturer) applications.

Manufacturing Productivity Division
370 West Trimble Road
San Jose, California 95131
(408) 263-7500
Software systems for manufacturing organizations, including manufacturing-application financial systems.

Manufacturing Test Division
815 Fourteenth Street S.W.
Loveland, Colorado 80537
(303) 667-5000
Analog and digital circuit-board testers.

Loveland Instrument Division
815 Fourteenth Street, S.W.
Loveland, Colorado 80537
(393) 667-5000
Analog and digital multimeters, computer-controlled instrument systems (data-loggers, data acquisition systems, components-test instrumentation).

Advanced Manufacturing Systems Operation
370 West Trimble Road
San Jose, California 95131
Computer integrated manufacturing (CIM) systems; factory automation application software products.

Panacom Automation Operation
24 Lexington Road
Waterloo, Ontario
Canada N2J323

Semiconductor Productivity Network Operation
370 West Trimble Road
San Jose, California 95131
Technical and product marketing, sales support and product development for computer-aided manufacturing systems for semiconductor manufacturers.

MEDICAL GROUP

Andover Division
3000 Minuteman Rd.
Andover, Massachusetts 01810
(617) 687-1501
Diagnostic instruments including electrocardiographs, cardiac stress-testing systems, physiological amplifiers and graphic recorders, computerized ECG data-management systems, computerized cardiac catheterization laboratory and ultrasound-imaging systems.

Boblingen Medical Division
Hewlett-Packard GmbH
Herrenbergerstrasse 130
D-7030 Boblingen
Federal Republic of Germany
Fetal/neonatal-monitoring systems and instruments for surgical and recovery-room monitoring; critical-care monitoring systems and computerized arrhythmia monitoring systems.

McMinnville Division
1700 South Baker
McMinnville, Oregon 97128
(503) 472-5101
X-ray and electron-beam systems for industrial applications and cardiac resuscitation systems such as defibrillators, monitors and recorders.

Waltham Division
175 Wyman Street
Waltham, Massachusetts 02254
(617) 890-6300
Critical-care monitoring systems for adults, computerized arrhythmia systems for adults, computerized arrhythmia monitoring systems with recall and edit capabilities, physiological transducers, patient-monitoring recorders, computerized patient data-management systems, and hospital information systems.

Health Care Productivity Operation
3000 Minuteman Road
Andover, Massachusetts 01810
Hospital information systems.

Medical Supplies Center
3000 Minuteman Road
Andover, Massachusetts 01810
Stethoscopes, electrolytes, disposable ECG (electrocardiogram) monitoring electrodes, blood-pressure transducers and disposable transducer domes, chart papers, disposable pressure kits.

CORPORATE MARKETING

Computer Support Division
19310 Pruneridge
Sunnyvale, California 95014
(408) 996-9383
Installation, servicing and custom support for HP computer systems.

Financing and Remarketing Division
Cupertino, California
Marketing and administration for all product leasing and for resale of computers.

Computer Supplies Operation
1326 Kifer Road
Sunnyvale, California 94086
(408) 738-8856
Computer accessories, supplies, software and furniture for all HP computers.

Test and Measurement Products

Instrument Support Division
690 E. Middlefield Road
Mountain View, California 94042
(415) 969-0880
Bench service, on-site service and repairs, and systems engineering for HP instrument products.

Corporate Parts Center
333 Logue Avenue
Mountain View, California 94042
Replacement parts, exchange modules and supplies.

Instrument Products Operation
1320 Kifer Road
Sunnyvale, California 94086
Low priced instrumentation products and accessories.

Transfer Agent(s):

Harris Trust and Savings
Corporate Trust Operations Division
P.O. Box 755
Chicago, Illinois 60690

Stock Exchange(s): New York, Pacific

Ticker Symbol: HWP

Number of Employees:

1984	82,000	1981	64,000
1983	72,000	1980	57,000
1982	68,000		

Plant Footage:

1984	N.A.	1981	11,178,000
1983	21,428,000 sq. ft.	1980	9,791,000
1982	12,160,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 6,044,000	$ 665,000
1983	4,710,000	432,000
1982	4,189,000	383,000
1981	3,528,000	305,000
1980	3,046,000	263,000

	No. of Com. Shares †	Earn. per Share ‡
1984	256,000,000	$ 2.59
1983	255,000,000	1.69
1982	250,000,000	1.53
1981	246,000,000	1.24
1980	240,000,000	1.09

† Adjusted to reflect stock splits.
‡ Based on the average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Test, measuring & related items	$ 2,242,000	$ 1,753,000
Electronic data products	3,196,000	2,420,000
Medical electronic equipment	377,000	353,000
Analytical instrumentation	229,000	184,000
Total	$ 6,044,000	$ 4,710,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.19	—	—
1983	0.1575	—	2-for-1
1982	0.12	—	—
1981	0.11	—	2-for-1
1980	0.10	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 3,545,000	$ 13.85
1983	2,887,000	11.32
1982	2,349,000	9.40
1981	1,890,000	7.68
1980	1,524,000	6.35

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Oct. 31	1984	1983
Net sales	$ 6,044,000	$ 4,710,000
Cost of sales	2,865,000	2,195,000
Expenses	2,319,000	1,787,000
Income before taxes	$ 860,000	$ 728,000
Income taxes	313,000	296,000
Reversal of DISC taxes	(118,000)	—
Net Income	$ 665,000	$ 432,000

* Included in Costs and Expenses, Depreciation and Amortization: $237,000,000 in 1984 and $191,000,000 in 1983.

Assets
(000's)

As of Oct. 31	1984	1983
Cash & cash investments	$ 938,000	$ 880,000
Accts. receiv., net	1,180,000	951,000
*Inventories	1,023,000	748,000
Other curr. assets	60,000	53,000
Current Assets	$ 3,201,000	$ 2,632,000
#Fixed assets	1,868,000	1,431,000
Other assets	84,000	98,000
Total Assets	$ 5,153,000	$ 4,161,000

Liabilities
(000's)

Notes payable	$ 217,000	$ 148,000
Accts. payable	281,000	203,000
Empl. compensation	398,000	300,000
Accruals	162,000	103,000
Accrued taxes	264,000	166,000
Curr. Liabilities	$ 1,322,000	$ 920,000
Long-term debt	81,000	71,000
Deferred empl. benefits	93,000	46,000
Deferred inc. taxes	112,000	237,000
+Common stock & add. paid-in capital	775,000	733,000
Retained earnings	2,770,000	2,154,000
Total Liabilities & Shareholders' Equity	$ 5,153,000	$ 4,161,000

* At standard cost, (which approximates FIFO) not in excess of market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	14.23	15.46
% Net Income to Sales	11.00	9.17
% Net Income to Equity	18.76	14.96
Sales to Inventories	5.91	6.30
Working Capital	$1,879,000	$1,712,000,000
Current Ratio	2.42	2.86
Shareholders' Equity	$3,545,000	$2,887,000,000

The Hickok Electrical Instrument Company

10514 Dupont Avenue
Cleveland, Ohio 44108
(216) 541-8060

Officers: Robert D. Hickok, chairman & president; Robert L. Purcell, executive vice president; Robert L. Bauman, vice president; James F. Hughes, v.p.-manufacturing; Michael Miller, secretary.

Directors: Robert D. Hickok, chairman; Thomas H. Barton, H. Bruce Boal, Max J. Lerner, George S. Lockwood, Jr., P. H. Neville, Robert A. Nieminen, Robert L. Purcell, Harry J. Fallon, Robert L. Bauman.

Areas of Work: Develops, manufactures, and markets high technology precision indicating instruments, educational and electronic test equipment. Also develops and markets scientific and vocational training programs. Owns and operates a vocational training institute. The indicating instruments and meters produced by the company are used in the aircraft industry, laboratory research, and electronic maintenance.

Subsidiaries:

Supreme Electronics Corp.
1714-16 Carrollton
Greenwood, Mississippi 38930
(601) 453-6212
Electronic test equipment, specialized measuring devices and indicating instruments.

Hickok Teaching Systems, Inc.
Wheeling Road
Woburn, Massachusetts 01801
(617) 935-5850
Systems to assist in the teaching of the sciences and vocational school training equipment.

Hickok Technical Institute
2012 West 25th Street
Cleveland, Ohio 44113
(216) 696-2626
Private technical school for teaching vocational skills.

Transfer Agent(s):

The Huntington Bank of Northeast Ohio
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	N.A.	1983	197

Plant Footage:

1984	N.A.	1983	121,960 sq. ft.

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income †
1984	$ 7,490,787	$ (87,559)
1983	7,108,836	(159,719)

1982	7,122,794	55,147
1981	7,473,507	(415,954)
1980	7,894,538	197,228

	No. of Com. Shares +	Earn. per Share † +
1984	605,427	$ —
1983	605,427	—
1982	605,427	0.09
1981	605,427	—
1980	605,372	0.33

(Loss)

† Including extraordinary gains of $10,800 ($0.02 per share) in 1982 and $70,000 ($0.12 per share) in 1980 and Extraordinary loss of $182,166 ($0.30 per share) in 1984.

+ Based on the average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 2,019,840	$ 3.34
1983	2,107,399	3.48
1982	2,267,118	3.74
1981	2,211,971	3.65
1980	2,627,925	4.34

‡ Based on the average number of shares outstanding.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 7,490,787	$ 7,108,836
Cost of sales	3,846,477	4,143,099
Prod. develop	602,134	563,450
Expenses	2,626,724	2,269,856
Interest expense	277,845	292,150
Income (loss) before taxes	$ 137,607	$ (159,719)
Income taxes	43,000	—
Net Income (Loss)	$ 94,607	$ (159,719)
Extraord. loss	(182,166)	—
Net Loss & extraord. loss	$ (87,559)	$ (159,719)

* Included in Costs and Expenses, Depreciation: $96,989 in 1984 and $101,592 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 174,588	$ 51,780
Accts. receiv., net	2,149,912	2,086,182
*Inventories	2,331,366	2,156,416
Prepaid expenses	21,163	21,556
Current Assets	$ 4,677,029	$ 4,315,934
Cash value of life insurance	37,556	40,034
#Fixed assets	611,770	621,196
Prepaid rent & other deposits	6,415	6,640
Total Assets	$ 5,332,770	$ 4,983,804

Liabilities

Notes payable	$ 1,925,000	$ 1,850,000
Long-term debt, curr.	59,450	28,110
Accts. payable	560,514	589,613
Accruals	485,752	339,486
Curr. Liabilities	$ 3,030,716	$ 2,807,209
Long-term debt	282,214	69,196
+ Common stock:		
Class A	359,607	359,607
Class B	245,820	245,820
Add. paid-in capital	1,270,468	1,270,468
Retained earnings	143,945	231,504
Total Liabilities & Shareholders' Equity	$ 5,332,770	$ 4,983,804

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.84	—
%Net Income to Sales	1.26	—
%Net Income to Equity	4.68	—
Sales to Inventories	3.21	3.30
Working Capital	$1,646,313	$1,508,725
Current Ratio	1.54	1.54
Shareholders' Equity	$2,019,840	$2,107,399

High Voltage Engineering Corporation

South Bedford Street
Burlington, Massachusetts 01803
(617) 272-1313

Officers: Pascal Levesque, chairman of the board, president & chief executive officer; Robert O. Svensson, v.p. & treasurer; Gordon R. Hamilton, Jr., v.p.-industrial relations; Donald R. Reilly, general counsel & clerk; Irene A. Doyle, asst. clerk.

Directors: Pascal Levesque, chairman; William W. Buechner, Milton P. Brown, Ernest F. Stockwell, Samuel Goldblith, Jr.

Areas of Work: Manufacturer of plastic insulation products, electrical connectors, switches, wire and cable, builders' instruments, particle accelerators and electron processing systems and scientific equipment, optical surveying and alignment instruments, hardness test equipment for metals and rubber, battery motive connectors, high current control systems and instrumentation for measurement of AC & DC current, primarily to the electrical and electronics industries.

Divisions and Subsidiaries:

Anacon/Waters Division
Marlboro, Massachusetts

Anacon (Instruments) Ltd.
Maidenhead, England

Anderson Power Products, Company
Boston, Massachusetts

Specialty Connector Co., Inc.
Greenwood, Indiana

Culver-Stearns Manufacturing Company
Worcester, Massachusetts

Carbolon Corporation
Sterling, Massachusetts

Natvar Division
Clayton, North Carolina

Berger Instruments Division
Boston, Massachusetts

Judd Wire Division
Turner Falls, Massachusetts

Beam Parts and Services Division
Burlington, Massachusetts

Halmar Electronics, Inc.
Columbus, Ohio

High Voltage Engineering Corporation-Burlington
  Division
Burlington, Massachusetts

HIVEC B.V.
  High Voltage Engineering Europa B.V.
  Electronized Chemicals Europa B.V.
  Amersfoort, The Netherlands

Roanwell Corporation
New York, New York

Communications Division
New York, New York

KMT Corporation
Elmwood, New Jersey

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York

Ticker Symbol: HVE

Sales and Earnings

	Net Sales +	Net Income‡
1984	$ 101,860,000	$ 6,931,000
1983	82,564,000	1,035,000
1982	85,305,000	1,758,000
1981	91,281,000	4,441,000
1980	86,422,000	4,306,000

	No. of Com. Shares +	Earn. per Share + ‡
1984	5,285,677	$ 6.77
1983	5,958,319	0.17
1982	6,148,203	0.29
1981	6,084,104	0.73
1980	5,260,741	0.82

‡ Including extraordinary loss of $152,000 ($0.03 per share) in 1983.

+ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Electrical components	$ 50,408,000	$ 41,688,000
Plastics	26,483,000	19,682,000
Industrial instruments	24,969,000	21,194,000
Total	$ 101,860,000	$ 82,564,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.15	—	—
1983	0.15	—	—
1982	0.15	—	—
1981	0.15	—	—
1980	0.14	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 52,170,000	$ 9.87
1983	51,467,000	9.25
1982	59,020,000	9.59
1981	58,291,000	9.49

income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 101,860	$ 82,564
Cost of sales	75,850	62,687
Expenses	16,897	15,437
Interest expense	930	813
Other income	(301)	(436)
Gain on sale of assets	(4,009)	(585)
Income before taxes	$ 12,493	$ 4,648
Income taxes	5,562	2,159
Inc. - cont. oper.	$ 6,931	$ 2,489
Loss - discont. oper.	—	(1,454)
Net Income	$ 6,931	$ 1,035

*Included in Costs and Expenses, Depreciation and Amortization: $3,223,000 in 1984 and $3,050,000 in 1983.

Assets

	12/29/84	12/31/83
Cash	$ 577	$ 1,304
Marketable securities	4,909	4,909
Accts. receiv., net	15,204	13,352
Unbilled port. of work	1,334	2,001
*Inventories	26,513	24,236
Prepaid expenses	493	1,339
Other assets	75	2,529

High Voltage Engineering Corporation

Current Assets	$ 49,105	$ 44,761
#Fixed assets	20,991	23,213
Other assets	12,759	474
Intangibles	2,251	2,342
Total Assets	$ 85,106	$ 75,699

Liabilities
(000's)

Notes payable	$ 6,500	$ 8,000
Long-term debt, curr	955	1,006
Accts. payable	4,089	5,127
Advance payments	1,182	1,001
Income taxes	1,010	645
Accrued pension exp	812	777
Other accruals	2,758	2,444
Deferred income taxes	63	220
Curr. Liabilities	$ 17,369	$ 19,220
Long-term debt	3,058	4,001
Deferred inc. taxes	259	1,011
Deferred gain	12,250	—
+ Common stock	6,224	6,224
Add paid-in capital	19,296	19,345
Retained earnings	40,904	34,754
Currency translation adjustments	(2,372)	(1,802)
Treasury stock	(11,882)	(7,054)
Total Liabilities & Shareholders' Equity	$ 85,106	$ 75,699

‡ Restated
* At cost (FIFO & average) but not in excess of net realizable value
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	12.26	5.63
%Net Income to Sales	6.80	1.25
%Net Income to Equity	13.29	2.01
Sales to Inventories	3.84	3.41
Working Capital	$31,736,000	$25,541,000
Current Ratio	2.83	2.33
Shareholders' Equity	$52,170,000	$51,467,000

Hipotronics, Inc.

Route 22
Brewster, New York 10509
(914) 279-8091

Officers: Stanley G. Peschel, chairman of the board & president; Barbara P. Gaines, controller, treasurer, and secretary.

Directors: Stanley G. Peschel, William J. Florence, Jr., Stephen S. Peschel, Weaver H. Gaines, Robert R. Grew, Michael T. Peschel.

Areas of Work: Designs and manufactures high voltage devices and systems to test materials and equipment used in the transmission of electricity; also designs and manufactures test equipment and high voltage power supplies for use in the electronics industry. Products include AC/DC dielectric test systems, capacitors, DC insulation test equipment, wire sparkers, cable fault location, AC-DC hipot testers and megohmmeters, power supplies, corona test systems, automatic sequential test systems, transformers, magnet wire test systems and miscellaneous high voltage hardware and accessories.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: HIP

Number of Employees:

1984	180	1981	197
1983	186	1980	175
1982	171		

Plant Footage:

1984	79,000 sq. ft.	1981	79,000
1983	79,000	1980	74,000
1982	79,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 15,939,319	$ 978,999
1983	13,459,040	581,665
1982	17,640,440	2,479,421
1981	15,810,797	2,302,956
1980	11,061,557	1,343,030

	No. of Com. Shares †	Earn. per Share †
1984	1,644,901	$ 0.60
1983	2,010,472	0.29
1982	1,996,172	1.24
1981	1,993,219	1.16
1980	1,973,050	0.68

† Based on the average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.16	—	—
1982	0.16	—	—
1981	0.13	—	2-for-1
1980	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 6,850,398	$ 4.16
1983	13,171,399	6.55
1982	12,584,740	6.30
1981	10,424,707	5.23
1980	8,333,337	4.22

+ Based on the average number of common shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 15,939,319	$ 13,459,040
Cost of sales	9,517,873	8,358,553
Expenses	4,642,689	4,488,824
Oper. profit	$ 1,778,757	$ 611,663
Other expense (income)	179,358	(230,002)
Income before taxes	$ 1,599,399	$ 841,665
Income taxes	620,400	260,000
Net Income	$ 978,999	$ 581,665

* Included in Costs and Expenses, Depreciation: $360,843 in 1984 and $362,812 in 1983.

Assets

As of Nov. 30	1984	1983
Cash	$ 162,280	$ 2,907,239
Accts. receiv., net	3,208,851	3,976,032
Refund. inc. taxes	—	301,000
Rev. earned in exc. of billings	—	560,000
*Inventories	4,139,407	4,397,146
Prepaid expenses	38,834	76,306
Current Assets	$ 7,549,372	$ 12,217,723
#Fixed assets	2,333,699	2,696,346
Other afsets	95,856	112,303
Total Assets	$ 9,978,927	$ 15,026,372

Liabilities

Long-term debt, curr.	$ 300,000	$ —
Accts. payable	558,525	424,162
Accruals	503,360	548,313
Accrued payroll	170,242	323,422
Income taxes	80,649	20,221
Deferred inc. taxes	303,800	282,300
Cust. deposits	109,803	141,305
Curr. Liabilities	$ 2,026,379	$ 1,739,723
Long-term debt	900,000	—
Deferred inc. taxes	202,150	115,250
+ Common stock	229,017	229,017
Add. paid-in capital	3,721,945	3,721,945
Retained earnings	11,194,554	10,215,555
Treasury stock	(8,295,118)	(995,118)
Total Liabilities & Shareholder's Equity	$ 9,978,927	$ 15,026,372

*At lower of cost (FIFO) or market.
Less accumulated depreciation
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	10.03	6.25
%Net Income to Sales	6.14	4.32
%Net Income to Equity	14.29	4.42
Sales to Inventories	3.85	3.06
Working Capital	$5,522,993	$10,478,000
Current Ratio	3.73	7.02
Shareholders' Equity	$6,850,398	$13,171,399

Honeywell, Inc.

Honeywell Plaza
Minneapolis, Minnesota 55408
(612) 870-5200

Officers: Edson W. Spencer, chairman of the board & chief exec. officer; James J. Renier, vice chairman & pres.-Information Systems; Fosten A. Boyle, v.p.-human resources; Richard J. Boyle, group v.p.-Defense & Marine Systems Group; Joe E. Chenoweth, exec. v.p.-international controls; Gerald P. Dinneen, v.p.-science & technology; James J. Verrant, group v.p.-U.S. Marketing & Services Group; H. Dea Elverum, exec. v.p.-control products; Gregg E. Ericksen, v.p. & controller; William W. George, exec. v.p.- control systems; James J. Grierson, v.p. & treasurer; Albert C. Kibbler, group v.p.-Semiconductor Group; Robert W. Maynard, sr. v.p.-legal affairs; David R. Bergerson, v.p. & general counsel; Louis E. Navin, v.p. & chief financial and administrative officer; Thomas A. Reed, sr. v.p.; Matthew A. Sutton, group v.p.-Avionics Systems Group; Curtis B. Thompson, sr. v.p.; Sigurd Ueland, Jr., v.p. & secretary; Richard E. Weber, v.p.-sales & services; Warde F. Wheaton, exec. v.p.-aerospace & defense; William N. Wray, group v.p.-Commercial Buildings Group and Communications Businesses; Charles W. Johnson, group v.p.-Large Computer and Manufacturing Systems Group; Eugene Manno, Group v.p.-Small Computer and Office Systems Group.

Directors: Edson W. Spencer*, chairman; Carl B. Drake, Jr.*, Louis E. Navin*, H. Brewster Atwater, Jr.*, William H. Donaldson, J. Robert Schaetzel, William H. Spoor*, James J. Renier*, David M. Lilly*, Alexander J. MacIntosh, Richard M. Bressler*, Geri M. Joseph*, E.H. Clark, Barber B. Conable, Jr.

* Member of the Executive Committee

Divisions and Subsidiaries:

Aerospace and Defense Avionics Systems Group

Defensive Electronic Systems
Santa Barbara, California
Electro-optical systems, infrared sensors, microwave technology.

Commercial Aviation Operations
Minneapolis, Minnesota
Inertial reference flight guidance systems, air data computers, pressure ratio devices and altimeters.

Electro-Optics Division
Lexington, Massachusetts
Sensing systems in electro-optical and infrared technologies.

Military Avionics Division
Minneapolis, Minnesota
Flight control, navigation, fire control, fuel management, and communications systems and components. Automatic test equipment and field service engineering.

Space and Strategic Avionics Division
Clearwater, Florida
Guidance, navigation and engine control systems for spacecraft, boosters and missiles. Equipment and services for secure communications.

Defense and Marine Systems Group

Defense Systems Division
Minneapolis, Minnesota
Fire control systems, small-caliber ammunition, fuzes and mines.

Marine Systems Division
Seattle, Washington
Acoustic-sensing and sonar systems, oceanography equipment and ship positioners, and ceramic components.

Tetra Tech
Pasadena, California
Undersea products, water resource management and engineering services for offshore-oil and utility industries, marine construction and deep-sea operations.

Training and Control Systems Operations
West Covina, California
Training and simulation systems and digital control systems.

Underseas Systems Division
Minneapolis, Minnesota
Advanced development and torpedo production.

Systems and Research Center
Minneapolis, Minnesota
Systems analysis and ordnance, applied research in physical and life sciences and in information and control science.

Defense Communications and Production Division
Tampa, Florida
Military communications equipment, commercial and industrial electronic subassemblies.

Control Products

Semiconductor Group

Optoelectronics Division
Richardson, Texas
Optoelectronic, fiber-optic and encoder systems and components.

Solid State Electronics Division
Minneapolis, Minnesota
Research and engineering in microcircuits, sensors, transducers and advanced packaging.

Synertek
Santa Clara, California
MOS/VLSI microprocessors, memories and custom logic circuits.

Micro Switch Division
Freeport, Illinois
Precision electrical switches, manual controls, solid state sensors, alphanumeric and numeric keyboards.

Residential Division
Minneapolis, Minnesota
Environmental controls for residences, energy management controls and systems for small commercial buildings, commercial and light-industrial combustion controls and systems; electronic air cleaners.

Skinner Valve Division
New Britain, Connecticut
Solenoid, thermostatic radiator and pressure regulating valves.

Control Systems

Commercial Building Group

Building Services Division
Minneapolis, Minnesota
Contract maintenance of commercial building mechanical and control systems; serviceline products; building operations and energy management systems and services; customer training services.

Commercial Division
Minneapolis, Minnesota
Comfort controls, building management systems, fire-alarm and security systems.

Protection Services Division
Minneapolis, Minnesota
Central-station burglary and fire protection services for homes and commercial buildings.

Communication Services Division
Minneapolis, Minnesota
Design, installation and support services for business telephone systems.

Action Communication Systems Division
Dallas, Texas
Private voice network systems; tandem-switching digital equipment.

Communication Products Operation
Dallas, Texas
Development of digital communication systems.

Communication Services Center
Minneapolis, Minnesota
Installed voice communication systems for business, contract services.

Honeywell/Ericsson Development
Anaheim, California
Development of voice and data communications products.

Industrial Products Group

Process Control Division
Fort Washington, Pennsylvania
Process control instrumentation; industrial machinery and equipment controls; maintenance sales and service.

Industrial Services Division
Fort Washington, Pennsylvania
Contract services for industrial control equipment and systems. Third part maintenance for CAD/CAM equipment.

ISSC Industrial Solid State Controls, Inc.
York, Pennsylvaia
Programmable controllers and communications systems for manufacturing industries.

Process Management Systems
Phoenix, Arizona
Process management systems and services for power and industrial applications.

Test Instruments Division
Denver, Colorado
Sensing and recording instruments; data acquisition systems for research laboratories and communications facilities; production testing; medical instrumentation; instrument repair and recalibration service; patient-monitoring equipment.

Medical Electronics Devision
Pleasantville, New York
Catheterization laboratory systems, patient-monitoring systems, telemetry systems, cardiovascular care products and service, hospital technology services.

International Controls

Asia-Pacific
Australia, Hong Kong, Japan, New Zealand, Singapore, Taiwan, Thailand.

Canada
Honeywell Limited
Toronto, Ontario, Canada

Europe
Honeywell Europe S.A.

Latin American Division
Minneapolis, Minnesota
Argentina, Brazil, Mexico, Puerto Rico, Venezuela

Honeywell High-Tech Trading, Inc.
Minneapolis, Minnesota
Worldwide marketing and distribution services for small to medium sized high-technology companies. Management and support for Honeywell distributors and sales agents worldwide.

Information Systems

Application Systems Division
Boston, Massachusetts
Product development for application software and communications and networking products. Customs systems engineering. Healthcare, retail and other new business development.

U.S. Marketing & Services Group

Customer Services Division
Newton, Massachusetts
Hardware and software maintenance for computer customers in the United States.

Federal Systems Division
McLean, Virginia
Field marketing and support to U.S. government computer customers.

Information Systems Division
Waltham, Massachusetts
Field marketing and support to all commercial customers in the United States.

Digital Datacom, Inc.
Laguna Niguel, California
Manufacturing automation systems, programmable controllers.

Small Computer Products Division
Waltham, Massachusetts
Small computer marketing and support in the United States.

Systems Group

Application Systems Division
Minneapolis, Minnesota
Worldwide planning and development for terminals and office systems products; sales of industry specific products.

Manufacturing Systems Division
Phoenix, Arizona
Planning, engineering, market planning and support for factory information systems.

Office Management Systems Division
Billerica, Massachutsetts
Integrated computer systems for office customers. Engineering, manufacturing and support of DPS6 small computer hardware and software products, terminals and workstations.

Large Computer Products Division
Phoenix, Arizona
Worldwide product planning, engineering, manufacturing and support for large computer systems.

International Group

HIS Italia
Milan, Italy
Marketing, sales, support and service for Honeywell computer systems in Italy and indirectly in Yugoslavia, Turkey and Israel. Worldwide product planning, engineering, manufacturing and support for Level 62 and DPS 4 small computer systems.

HIS Limited
Brentford, England
Marketing, sales, support and service for Honeywell computer systems in the United Kingdom and Ireland. Special applications and software systems development. Manufacturing of large and small systems.

HIS Canada/Australia/Mexico
Minneapolis, Minnesota
Marketing, sales, support and service for Honeywell computer systems in Canada, Mexico, Central America and Australia.

Transfer Agent(s):

Norwest Bank Minneapolis, N.A.
Eighth & Marquette
Minneapolis, Minnesota 55479

Norwest Trust Company, New York
Tenth Floor
40 Wall Street
New York, New York 10005

Stock Exchange(s): New York, Belgium, England, France, The Netherlands and Switzerland.

Ticker Symbol: HON

Honeywell, Inc.

Number of Employees:

1984	94,274	1981	96,923
1983	93,514	1980	97,202
1982	94,062		

Sales and Earnings

	Net Sales * (000's)	Net Income# (000's)
1984	$ 6,073,600	$ 239,000
1983	5,667,400	231,200
1982	5,387,100	272,900
1981	5,261,300	259,300
1980	4,869,700	288,900

	No. of Com. Shares ‡	Earn per Share # ‡
1984	46,900,000	$ 5.10
1983	45,900,000	5.03
1982	44,900,000	6.08
1981	45,600,000	5.69
1980	44,800,000	6.46

* Includes computer rental and service revenue, of continuing operations only.
# Including extraordinary gain of $12,600,000 ($0.28 per share) in 1980.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Control products	$ 1,024,500	$ 890,400
Control systems	1,615,800	1,570,800
Aerospace & defense	1,608,000	1,540,100
Information systems	1,825,300	1,666,100
Total	$ 6,073,600	$ 5,667,400

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1984	$1.90	—	—
1983	1.80	—	2-for-1
1982	1.75	—	—
1981	1.60	—	—
1980	1.40	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$2,380,900,000	$ 50.97
1983	2,313,700,000	49.37
1982	2,143,400,000	47.15
1981	2,098,000,000	45.27
1980	1,874,000,000	41.35

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 5,185,000	$ 4,779,100
Other income	888,500	888,300
Total Revenues	$ 6,073,600	$ 5,667,400
Cost of revenues	3,979,800	3,724,300
Expenses	1,638,900	1,563,500
Interest income	(64,400)	(69,600)
Interest expense	88,400	91,700
Income before taxes	$ 430,900	$ 357,500
Income taxes	96,100	106,800
Inc.-cont. oper.	$ 334,800	$ 250,700
Loss-discont. oper.	(95,800)	(19,500)
Net Income	$ 239,000	$ 231,200

* Included in Costs and Expenses, Depreciation: $314,100,000 in 1984 and $315,900,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & temp. cash invest.	$ 467,600	$ 518,400
Receivables	1,004,500	1,041,500
*Inventories	1,089,500	937,900
Current Assets	$ 2,561,600	$ 2,497,800
Investments	400,500	408,400
#Fixed assets	1,432,000	1,367,200
Other assets	365,700	390,300
Total Assets	$ 4,759,800	$ 4,663,700

Liabilities
(000's)

	1984	1983
Short-term debt	$ 92,800	$ 139,000
Accts. payable	273,500	242,300
Cust. advances	98,200	87,800
Accrued compen.	328,700	317,900
Accruals	498,700	424,400
Income taxes	95,500	1226,600
Curr. Liabilities	$ 1,387,400	$ 1,338,000
Long-term debt	665,600	695,500
Oblig. for rental contracts	67,200	—
Deferred inc. taxes	192,100	252,900
Other liab.	66,600	63,600
+ Common stock	71,200	70,300
Add. paid-in capital	683,800	655,800
Retained earnings	1,894,800	1,744,700
Treasury stock	(43,800)	(300)
For. curr. translation	(225,100)	(156,800)
Total Liabilities & Shareholders' Equity	$ 4,759,800	$ 4,663,700

* At lower of cost (weighted average) or market.
# Less accumulated depreciation.
+ $1.50 par value.

Statistical Summary

%Net Income to Equity	10.04	9.99
Working Capital	$1,174,200,000	$1,159,800,000
Current Ratio	1.85	1.87
Shareholders' Equity	$2,380,900,000	$2,313,700,000

Humphrey, Inc.

9212 Balboa Avenue
San Diego, California 92123
(619) 565-6631

Officers: P.E. Humphrey, president & chairman of the board; R.T. Rutherford, sr. v.p.; B.L. McKie, C.R. Bonnell, A.K. Mills, vice presidents; J.L. Alviar, treasurer; D.J. Streed, secretary.

Directors: P.E. Humphrey, chairman; Romilly T. Rutherford, John R. Sorbo, Roger A. Humphrey, Raymond C. Pennington.

Areas of Work: Develops, manufactures and sells electro-fluidic, and electro-optical instruments for industry and defense. Products include vertical and directional gyroscopes, angular rate sensors, ailerometer and accelerometer switches, free gyros, rate gyros, artificial horizon gyros and repeaters accelographs, potentiometers, rate switches, stabilized platforms, flexure pivots, inertial reference systems, electric hand dryers, blowers, oceanographic components, automotive dynamic-test packages, and pendulums.

Transfer Agent(s):

California First Bank
Corporate Trust Department
P.O. Box 2529
San Diego, California 92112

Stock Exchange(s): Over-the-Counter

Ticker Symbol: HUPH (NASDAQ)

Number of Employees:

1984	210	1981	228
1983	225	1980	196
1982	240		

Plant Footage:

1984	31,950 sq. ft.	1981	31,950
1983	31,950	1980	31,950
1982	31,950		

Sales and Earnings

	Net Sales	Net Income
1984	$ 8,355,462	$ (453,974)
1983	12,509,740	123,604
1982	11,531,233	440,585
1981	8,924,868	243,330
1980	7,485,900	396,483

	No. of Com. Shares †	Earn per Share ‡
1984	1,000,000	$ —
1983	1,000,000	0.12
1982	1,000,000	0.44
1981	1,000,000	0.24
1980	1,000,000	0.40

(Loss)
† Adjusted to reflect stock splits.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	—
1980	—	—	4-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 3,198,971	$ 3.20
1983	3,652,945	3.65
1982	3,529,341	3.53
1981	3,088,756	3.09
1980	2,845,426	2.85

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 8,355,462	$ 12,509,740
Cost of sales	6,793,785	9,837,472
Expenses	1,907,639	2,163,659
Discounts & other	84,259	223,067
Interest expense	345,753	153,938
Income (loss) bef. taxes	$ (775,974)	$ 131,604
Income taxes (credit)	(322,000)	8,000
Net Income (Loss)	$ (453,974)	$ 123,604

* Included in Costs and Expenses, Depreciation and Amortization: $251,860 in 1984 and $202,170 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 110,098	$ 124,345
Receiv., net	1,341,785	1,454,869
Future income tax benefits	15,000	—
*Inventories	4,062,746	4,263,747
Prepaid expenses	23,120	19,125
Refund. inc. taxes	308,655	217,556
Current Assets	$ 5,861,404	$ 6,079,642
#Fixed assets	1,146,478	1,236,677
Deposits	6,118	6,118
Cash value of life ins.	14,918	14,293
Total Assets	$ 7,028,918	$ 7,336,730

Liabilities

Notes payable	$ 2,447,344	$ 1,788,938
Long-term debt, curr.	105,110	146,185
Accts. payable	410,212	655,769

Accruals	237,295	254,593
Accrued commissions	229,204	270,698
Cust. deposits	—	56,713
Deferred income taxes	—	5,000
Curr. Liabilities	$ 3,429,165	$ 3,177,896
Long-term debt	400,782	505,889
+ Common stock	1,594,667	1,594,667
Common stock warrants outstanding	1,000	1,000
Retained earnings	1,603,304	2,057,278
Total Liabilities & Shareholders' Equity	$ 7,028,918	$ 7,336,730

* At lower of cost (average or FIFO) or net realizable market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.05
%Net Income to Sales	—	0.99
%Net Income to Equity	—	3.38
Sales to Inventories	2.06	2.93
Working Capital	$2,432,239	$2,901,746
Current Ratio	1.71	1.91
Shareholders' Equity	$3,198,971	$3,652,945

ICOT Corporation

(formerly Microform Data Systems, Inc.)

830 Maude Avenue
P.O. Box 7248
Mountain View, California 94039
(415) 964-4635

Officers: Arnold N. Silverman, chairman of the board & president; Peter D. Hepburn, Joel M. Becker, sr. v.p.'s; Lawrence W. Parrish, sr. v.p.-finance & administration, treasurer & secretary; Joel M. Bloodworth, Kaivalya M. Dixit, Bruce A. Kelley, v.p.'s.

Directors: William D. Witter, B.J. Brooks, Neill H. Brownstein, Donald L. Lucas, Arnold N. Silverman.

Areas of Work: The Company designs, manufactures and markets a line of data communications, terminal, and micrographic equipment. The data communications equipment is used principally by the airline industry. The micrographic retrieval devices allow low-cost, quick access to microfilm data.

Divisions:

ICOT Division
Mountain View, California
Manufactures electronic communications equipment, including automatic ticket printers for airlines.

Medical Systems Division
Supplies data management information systems for clinical laboratories and hospitals.

Transfer Agent(s):

Bank of America
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ICOT (NASDAQ)

Sales and Earnings

	Net Sales	Net Income #
1984	$ 18,986,000	$ (2,341,000)
1983	17,499,000	(6,430,000)
1982	25,882,000	966,000
1981	24,927,648	877,943
1980	25,285,638	305,440

	No. of Com. Shares +	Earn. per Share# +
1984	8,925,000	$ —
1983	6,857,000	—
1982	7,150,000	0.14
1981	6,022,672	0.10
1980	5,813,833	0.04

(Loss)
# Including extraordinary credits of $447,000 ($0.06 per share) in 1982, $386,000 ($0.06 per share) in 1981 and $130,000 ($0.02 per share) in 1980.
+ Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,465,000	$ 1.17
1983	12,646,000	1.84
1982	5,776,000†	0.81
1981	4,313,019†	0.72
1980	3,632,263†	0.62

‡ Based on weighted average number of shares outstanding.
† After allowing for preferred stock at stated values.

Income Account *

Year ended July 30	1984	1983
Net sales	$ 18,986,000	$ 17,499,000
Cost of sales	11,953,000	12,652,000
Expenses	6,646,000	5,285,000
Research & develop	3,070,000	2,860,000
Interest expense (income)	(342,000)	333,000
Loss from sale of prod. line	—	2,799,000
Net Loss	$ (2,341,000)	$ (6,430,000)

* Included in Costs and Expenses, Depreciation and Amortization: $819,000 in 1984 and $786,000 in 1983.

Assets

As of July 30	1984	1983
Cash	$ 5,119,000	$ 4,473,000
Accts. receiv., net	2,828,000	2,025,000
Receiv. from sale of prod. line	—	2,800,000
*Inventories	4,118,000	4,534,000
Prepaid expenses	379,000	734,000
Current Assets	$ 12,444,000	$ 14,566,000
#Fixed assets	2,793,000	2,594,000
Intangibles	8,000	56,000
Note receiv	—	89,000
Total Assets	$ 15,245,000	$ 17,305,000

Liabilities

Notes payable	$ 1,950,000	$ 2,150,000
Long-term debt, curr.	236,000	169,000
Accts. payable & accruals	2,052,000	1,483,000
Cust. advances	5,000	49,000
Employee comp	314,000	432,000
Curr. Liabilities	$ 4,557,000	$ 4,283,000
Long-term debt	223,000	376,000
+ Common stock	1,820,000	1,749,000
Add. paid-in capital	29,513,000	29,211,000
Retained earnings (deficit)	(20,655,000)	(18,314,000)
Notes receiv., stock purchase	(213,000)	—
Total Liabilities & Shareholders' Equity	$ 15,245,000	$ 17,305,000

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.20 par value.

Statistical Summary

Sales to Inventories	4.61	3.86
Working Capital	$7,887,000	$10,283,000
Current Ratio	2.73	3.40
Shareholders' Equity	$10,465,000	$12,646,000

Illinois Tool Works Inc.

8501 West Higgins Road
Chicago, Illinois 60631
(312) 693-3040

Officers: Silas S. Cathcart, chairman; Harold Byron Smith, Jr., chairman of the executive committee; John D. Nichols, president & chief exec. officer; William S. Gemmell, v.p. & controller; Arthur M. Wright, v.p., general counsel & secretary; David Byron Smith, v.p. & treasurer; H. Richard Crowther, exec. v.p. & pres.-Plastiglide & Extruded Products and International Components; W. James Farrell, exec. v.p. & pres. of Specialty Mechanical & Chemical Products; George T. Valaoras, exec. v.p. & pres.-Electronic Products Group; Robert G. Rettig, exec. v.p. & pres.-Packaging Systems & Instruments Group; Thomas W. Buckman, v.p.-patents & technology; Steve A. Stefan, exec. v.p. & pres.-Components & Medical Products Group; Sidney H. Paige, v.p.-human resources; Michael Hudson, v.p.-public affairs; Stephen J. Kaye, v.p.-corporate communications.

Directors: Silas S. Cathcart, Weston R. Christopherson, Edward Byron Smith, Harold Byron Smith, Harold Byron Smith, Jr., Omer G. Voss, Russell M. Wicks, Robert H. Strotz, Edward F. Swift, John D. Nichols, Robert C. McCormack, Edward J. Williams, Blaine J. Yarrington, Edward R. Telling.

Areas of Work: Develops and manufactures a broad range of specialty products, principally industrial components; its five major product areas include engineered metal and plastic fasteners and components, plastic packaging products and systems, electronic products, and components precision tools and gearing, and instruments and systems.

Divisions:

Electronic Products and Components
Precision snap action switches, lighted pushbutton and panel switches; proximity switches, electronic keyboards, custom engineered switch and electronic keyboards, custom engineered switch and electrical hardware combinations, plastic film/foil capacitors and metalized plastic film capacitors, multilayer monolithic ceramic capacitors.

Cortron
Elmhurst, Illinois
Electronic keyboards.

Paktron
Lynchburg, Virginia
Electronic components.

Engineered Fasteners and Components
Specialty threaded fasteners, lockwashers, spring tension washers, electrical terminals, mechanical/chemical fasteners, automated fastener application systems. Construction fasteners. Plastic fasteners and components. Special stamped metal fasteners and components.

Fastex
Des Plaines, Illinois 60016
Plastic and metal components.

Buildex
Elk Grove Village, Illinois
Mineral Wells, Texas
Construction fasteners.

Deltar
Frankfort, Illinois
Automotive components.

Instruments & Systems
Develops and produces gear measuring instruments, special purpose machines and systems for packaging applications and fastener production and assembly, custom designed equipment and systems for industrial and defense use, and medical products and systems.

Illitron
Chicago, Illinois 60645
Measuring systems and components.

Diamed
Elk Grove Village, Illinois
Medical disposables and systems.

Shakeproof/Industrial Products
Elgin, Illinois
Russellville, Kentucky
Mineral Wells, Texas

Illinois Tool Works Inc.

Shakeproof/Special Products
Elgin, Illinois

Shakeproof/Automotive Products
Elgin, Illinois
Lancaster, Wisconsin
Russellville, Kentucky

Irathane
Hibbing, Minnesota

Philadelphia Resins
Montgomeryville, Pennsylvania

Meritex (Penang) SDN. BHD.
Penang, Malaysia

Plastiglide Limited
Downsview, Ontario, Canada

ITW Asia (Pte.) Limited
Singapore

ITW Switches/Europe
Portsmouth, England

Envases Multipac S.A. de C.V.
Mexico City, Mexico

Nif-Cone Leasing Limited
Hong Kong

Packaging Products
Multi-packaging plastic products such as carriers for beer, soft drinks, juices, and food. Hot and cold drink cups for vending machines and counter services. Plastic food containers and lids. Portion packaging for dairy foods and beverages.

Conex
Des Plaines, Illinois 60143
Plastic containers.

Hi-Cone
Charleston, Illinois
Fullerton, California
Zebulon, North Carolina
Itasca, Illinois
Multi-packaging.

Precision Tools and Gearing
Special and standard metal cutting tools. Precision gear systems, high reduction ratio gear motors, micron machine tools and fine pitch gear cutters.

ITW/Eclipse
Pine Bluff, Arkansas
Detroit, Michigan
Metal cutting tools.

Spiroid
2601 North Keeler Avenue
Chicago, Illinois 60639
Special gearing.

ITW Better Formed Metals
ITW Extruded Products
ITW Spiroid
Specialty gearing and components.

ITW Data Entry Products
Keyboards and computer peripheral devices.

ITW Drills and End Mills
Perishable cutting tools.

ITW Linac
Cable handling systems.

ITW QCS Tool Systems
Tool Systems.

ITW Heartland Components

ITW Adhesives and Chemical Products
Specialty chemical products.

Subsidiaries:

Automotive Controls
Chicago, Illinois

Chronomatic
Chicago, Illinois

ITW Switches
Chicago, Illinois
Hollywood, Florida
Irvington, New Jersey

ITW Linx
Des Plaines, Illinois

ITW Nexus
Elk Grove Village, Illinois

Plastiglide
Hawthorne, California
Waterbury, Connecticut

Meritex
Arlington, Texas

Thielex
Piscataway, New Jersey

ITW Entrex
Chicago, Illinois

ITW Bema
Elmhurst, Illinois

Heartland
Alexandria, Minnesota

ITW Canada Limited
Don Mills, Ontario, Canada
(416) 447-7251

Devcon Corporation
Danvers, Massachusetts
Mexico City, Mexico
Scarborough, Canada
Shannon, Ireland
Paris, France
Lintorf, West Germany
Specialty chemical products.

ITW Limited
Reading, England

ITW-Ateco G.m.b.H.
Hamburg, Germany
Letmathe, Germany
Weiden, Germany

ITW de France S.A.
Paris, France

ITW Fastex Italia, S.p.A.
Turin, Italy

ITW Asia (Pt) Limited
Singapore

ITW Switches/Asia
Koahsiung, Taiwan

W.A. Deutscher Pty Ltd.
South Oakleigh, Australia

ITW Espana S.A.
Barcelona, Spain

ITW Hi-Cone Ltd.
Mallow, Ireland

Affiliated Companies:

Nifco Inc. (32.1% owned)
Tokyo, Japan

Multipak de Veriezuela C.A. (48% owned)
Caracas & Valencia, Venezuela

Computer Products, Inc. (23% owned)
Fort Lauderdale, Florida

Acquisition(s):

N. A. Woodworth Company
Ferndale, Michigan
Manufacturer of work-holding devices and fixed limit gages.

Transfer Agent(s):

Continental Illinois National Bank and Trust Company of Chicago
231 South La Salle Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest

Ticker Symbol: ITW

Number of Employees:

1984	7,800	1981	7,200
1983	7,300	1980	6,800
1982	6,500		

Sales and Earnings

	Oper. Revenues +	Net Income
1984	$ 592,253,000	$ 60,004,000
1983	497,821,000	49,588,000
1982	446,983,000	40,090,000
1981	455,520,000	44,348,000
1980	401,654,000	42,864,000

	No. of Com. Shares †	Earn. per Share #
1984	25,081,206	$ 2.40
1983	24,961,326	1.99
1982	24,593,334	1.63
1981	24,476,254	1.81
1980	24,464,656	1.75

+ Includes net sales, equipment rentals and royalties.
# Based on the average number of shares outstanding adjusted to reflect stock split.
† Adjusted to reflect stock split.

Revenue by Line of Business

	1984 (000's)	%	1983 (000's)	%
Engineered components	$258,969	44%	$215,492	43%
Industrial systems	169,184	28	146,277	29
Specialty mechanical & chem. products	166,029	28	136,433	28
Eliminations	(1,929)	—	(381)	—
Total	$592,253	100%	$497,821	100%

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.625	—	2-for-1
1983	0.58	—	—
1982	0.55	—	—
1981	0.54	—	—
1980	0.51	—	—

# Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 377,557,000	$ 15.06
1983	339,952,000	13.62
1982	301,540,000	12.26
1981	286,134,000	11.69
1980	263,888,000	10.79

# Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Operating revenues	$ 592,253,000	$ 497,821,000
Operating costs	382,592,000	325,071,000
Expenses	115,845,000	104,594,000
Other income	(4,888,000)	(14,732,000)
Income before taxes	$ 98,704,000	$ 82,888,000
Income taxes	38,700,000	33,300,000
Net Income	$ 60,004,000	$ 49,588,000

* Included in Costs and Expenses. Depreciation: $25,742,000 in 1984 and $24,039,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 6,482,000	$ 7,274,000
Marketable securities & cert. of dep.	59,931,000	74,586,000
Accts. receiv., net	101,204,000	85,054,000
*Inventories	82,282,000	70,859,000
Prepaid inc. taxes	8,418,000	6,695,000
Prepaid expenses	3,694,000	4,897,000
Current Assets	$ 262,011,000	$ 249,365,000
Investments	66,697,000	54,039,000
#Fixed assets	118,889,000	108,695,000
Other assets	36,356,000	37,712,000
Total Assets	$ 483,953,000	$ 449,811,000

Liabilities

International borrowings	$ 6,356,000	$ 5,750,000
Accts. payable	24,898,000	22,148,000
Accruals	33,354,000	31,048,000
Dividends payable	4,012,000	3,619,000
Income taxes	10,693,000	18,083,000
Curr. Liabilities	$ 79,313,000	$ 80,648,000
Long-term debt	11,101,000	11,578,000
Other liabilities	12,658,000	14,191,000
Unamortized investment tax credits	3,324,000	3,442,000
+ Common stock	56,267,000	41,611,000
Add. paid-in capital	—	11,873,000
Retained earnings	350,821,000	306,858,000
Treasury stock	(28,000)	(28,000)
Foreign curr. transl.	(29,503,000)	(20,362,000)
Total Liabilities & Shareholders' Equity	$ 483,953,000	$ 449,811,000

* At lower of cost or market. Cost is valued at LIFO for parent company and Devcon Corp.; all other inventories at FIFO.
# Less accumulated depreciation.
+ $3.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Revenues	16.67	16.65
%Net Income to Revenues	10.13	14.59
%Net Income to Equity	15.89	14.59
Working Capital	$182,698,000	$163,820,000
Current Ratio	3.30	3.03
Shareholders' Equity	$377,557,000	$339,952,000

Image Systems, Inc.

P.O. Box 2488
11244 Playa Court
Culver City, California 90230
(213) 390-3378

Officers: M.A. Quraishi, president & chief executive officer; Joseph Papa, corporate secretary.

Directors: M.A. Quraishi, Chester H. Brandon, William S. Decker, Fred C. Mehner, Joseph Papa.

Areas of Work: The company manufactures microfiche storage retrieval and display systems. These retrieval systems can be adapted for peripheral use with computers acting as an output terminal. The company also manufactures a step and repeat camera, manual microfiche cutter, and equipment for the attachment of binary encoded clips to microfiche.

Divisions and Subsidiaries:

Image Systems Ltd.
London, England

Image Systems France
Paris, France

Transfer Agent(s):

Continental Stock Transfer
72 Reade Street
New York, N.Y. 10007

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IMAG (NASDAQ)

Sales and Earnings

	Revenues	Net Income‡
1983	$ 2,669,000	$ (307,000)
1982	2,627,000	1,000
1981	3,249,000	117,000
1980	2,496,000	(1,072,000)
1979	4,179,000	(33,000)

	No. of Com. Shares #	Earn. per Share ‡#
1983	1,838,000	$ —
1982	5,761,000	—
1981	5,760,000	0.02
1980	1,758,000	—
1979	1,755,000	—

(Loss)
‡ Including extraordinary gains of $38,000 ($0.01 per share) in 1981 and $95,000 ($0.05 per share) in 1979.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended Dec. 31	1983	1982
Revenues:		
Prod. sales & rentals	$ 2,181,169	$ 1,857,144
Services	476,286	733,856
Interest income	11,505	35,628
Total revenues	$ 2,668,960	$ 2,626,618
Cost of sales	1,865,737	1,528,266
Expenses	1,106,472	1,069,156
Bad debt exp.	3,095	22,101
Interest expense	1,161	6,222
Net Income (Loss)	$ (307,505)	$ 873

* Included in Costs and Expenses, Depreciation and Amortization: $50,604 in 1983 and $114,904 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 115,000	$ 142,000
Accts. receiv., net	189,000	413,000
*Inventories	1,104,000	1,112,000
Prepaid expenses	25,000	43,000
Current Assets	$ 1,433,000	$ 1,710,000
#Fixed assets	156,000	251,000
Due from parent co.	162,000	—
Defer. charges	28,000	26,000
Total Assets	$ 1,779,000	$ 1,987,000

Liabilities

Notes payable	$ —	$ 10,000
Subord. prom. note, 6%	17,000	17,000
Accts. payable	461,000	162,000
Accrued payroll	87,000	64,000
Def. serv. revenue	89,000	89,000
Other accruals	160,000	368,000
Curr. Liabilities	$ 814,000	$ 710,000
Subord. prom. notes, 6%	1,198,000	1,198,000
+ Preferred stock	490,000	490,000
+ + Common stock	184,000	184,000
Add. paid-in capital	12,159,000	12,159,000
Retained earnings (deficit)	(13,061,000)	(12,754,000)
Curr. adjustment	(5,000)	—
Total Liabilities & Shareholders' Equity	$ 1,779,000	$ 1,987,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value; $0.91 dividend non-cumulative.
+ + $0.10 par value.

Statistical Summary

%Net Income to Sales	—	0.03
%Net Income to Equity	—	1.11
Working Capital	$ 619,000	$1,000,000
Current Ratio	1.76	2.41
Shareholders' Equity (Deficiency)	$(233,000)	$ 79,000

IMM Energy Services & Technology, Inc.

(formerly Crestek, Inc.)

Scotch Road
Mercer County Airport
Trenton, New Jersey 08628
(609) 883-4000

Officers: Michael J. Nash, president, chairman & chief executive officer; James H. Shoffner, v.p.-finance; John J. O'Connor, v.p. & chief financial officer; Harry Wilson, vice chairman; Wilton L. Helveston, v.p.

Directors: Michael J. Nash, chairman; Charles Mann, Owen O. Freeman, Ralph E. Brumley, Harry Wilson, Edward J. Gutowski, Leon Linebarger.

Areas of Work: Manufactures ultrasonic generators and transceivers; provides energy services including anchor handling and mooring operations and manufactures automated industrial cleaning systems.

Acquisition(s):

International Mooring & Marine, Inc.
IMM Rayburn

Transfer Agent(s):

Fidelity Union Trust Company
Trust Dept.
765 Broad Street
Newark, New Jersey 07101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IMME (NASDAQ)

Number of Employees:*

1984	116	1981	175
1983	110	1980	50
1982	105		

Plant Footage:*

1984	50,000 sq. ft.	1981	50,000
1983	50,000	1980	50,000
1982	50,000		

* Technology operations only.

Sales and Earnings

	Net Sales †	Net Income
1984	$ 11,207,000	$ 3,136,000
1983	9,253,000	(8,958,000)
1982	8,135,000	(2,519,000)
1981	6,938,000	2,168,000
1980	3,500,000	738,000

	No. of Com. Shares	Earn. per Share +
1984	4,106,783	$ 0.76
1983	4,096,783	—
1982	4,041,131	—
1981	2,837,793	0.58
1980	2,260,859	0.21

(Loss)
† Of continuing operations only.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—

1982	—	—	4-for-3
1981	—	—	4-for-3
1980	—	—	6-for-5

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,500,332	$ 0.37
1983	(1,640,619)	—
1982	7,191,000	1.78
1981	6,041,000	2.13
1980	2,565,000	1.13

(Deficiency)

Income Account *

Year ended June 30	1984	1983
Net sales	$ 11,207,464	$ 9,252,717
Cost of sales	5,901,784	4,755,261
Expenses	3,871,633	3,332,861
Oper. profit	$ 1,434,047	$ 1,164,595
Interest expense	485,541	446,094
Unusual expense	—	1,076,000
Other income	(42,779)	(47,136)
Income (loss) bef. taxes	$ 991,285	$ (310,363)
Income taxes	512,889	453,013
Inc. (loss)-cont. oper.	$ 478,396	$ (763,376)
Inc. (loss)- discont. oper.	2,657,716	(8,194,394)
Net Income (Loss)	$ 3,136,112	$ (8,957,770)

* Included in Costs and Expenses, Depreciation and Amortization: $190,463 in 1984 and $191,325 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 826,640	$ 401,089
Notes and accts. receiv., net	2,232,704	1,581,592
*Inventories	1,470,933	1,348,456
Prepaid expenses	85,209	96,326
Assets of discont. oper.	—	17,191,512
Current Assets	$ 4,615,486	$ 20,618,975
#Fixed assets	2,162,262	2,259,515
Other assets	698,857	1,357,712
Total Assets	$ 7,476,605	$ 24,236,202

Liabilities

	1984	1983
Note payable	$ 900,000	$ —
Long-term debt, curr.	396,147	4,304,973
Accts. payable	1,109,495	556,509
Accruals	629,145	622,435
Income taxes	96,845	90,280
Liab. of discont oper.	—	20,136,002
Curr. Liabilities	$ 3,131,632	$ 25,710,199
Long-term debt	2,692,241	14,222
+ Redeem. pref. stock	152,400	152,500
+ + Common stock	41,068	40,968
Add. paid-in capital	5,431,685	5,417,284
Retained earnings (deficit)	(3,904,811)	(7,015,625)
Exc. of redemp. price over fair value-pref. stock	(67,610)	(83,246)
Total Liabilities & Shareholders' Equity	$ 7,476,605	$ 24,236,202

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; $6.50 cumulative.
+ + $0.01 par value.

Information International, Inc.

5933 Slauson Ave.
Culver City, California 90230
(213) 390-8611

Officers: Alfred L. Fenaughty, president; Robert W. Waller, v.p.-engineering; John B. Hansen, v.p.-programming; Terry N. Taugner, v.p.-finance & treasurer; James C. Callaghan, v.p.-marketing; Stephen J. A'Hearn, v.p.-sales; Leroy M. Bell, v.p.-customer support.

Directors: Joseph M. Walsh, chairman; Alfred L. Fenaughty, Robert W. Waller, Laurence S. Fordham, Marvin Minsky, Oliver G. Selfridge, John McCarthy, Ronald Paolucci.

Areas of Work: Manufactures, sells and rents automated-illustrated documentation systems, including text entry and edit, photographic scanners, page layout terminals, and pagesetters.

Subsidiaries:

Information International Grafix Ltd.
1 Brooklands Road
Weybridge, Surrey KT13 0SD
England

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IINT (NASDAQ)

Sales and Earnings

	Revenues ‡	Net Income
1984	$ 28,097,952	$ 2,464,145
1983	27,634,759	1,590,982
1982	26,007,311	1,952,351
1981	23,429,718	1,067,955
1980	21,683,289	1,866,183

	No. of Com. Shares	Earn. per Share +
1984	2,624,918	$ 0.94
1983	2,609,390	0.62
1982	2,514,090	0.75
1981	2,708,941	0.40
1980	2,692,922	0.70

‡ Includes sales and equipment rentals; of continuing operations only.
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 24,158,779	$ 9.20
1983	21,989,660	8.43
1982	20,002,932	7.96
1981	20,147,059	7.44
1980	19,375,564	7.19

Income Account *

Year ended April 30	1984	1983
Net sales	$ 19,189,971	$ 20,212,108
Equip. rentals	8,907,981	7,422,651
Total revenues	$ 28,097,952	$ 27,634,759
Cost of revenues	12,956,887	12,858,111
Expenses	11,740,850	11,353,214
Oper. profit	$ 3,400,215	$ 3,423,434
Interest income	1,050,546	876,386
Other income	78,944	3,315
Income before taxes	$ 4,529,705	$ 4,303,135
Income taxes	2,091,630	1,940,265
Inc. - cont. oper.	$ 2,438,075	$ 2,362,870
Income (loss) - discont. oper	26,070	(771,888)
Net Income	$ 2,464,145	$ 1,590,982

* Included in Costs and Expenses, Depreciation and Amortization: $2,039,198 in 1984 and $1,987,285 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 184,304	$ 196,849
Short-term investments	16,620,665	8,790,000
Receiv., net	2,631,134	1,846,841
*Inventories	5,336,247	5,312,464
Prepaid expenses	87,562	108,966
Current Assets	$ 24,859,912	$ 16,255,120
Marketable securities	—	1,499,766
Value of equip. of discont. oper.	177,396	375,600
#Fixed assets	6,135,215	7,486,887
Total Assets	$ 31,172,523	$ 25,617,373

Liabilities

	1984	1983
Customer advances	$ 3,151,048	$ 785,593
Accts. payable	823,123	529,427
Accrued payroll	928,709	771,500
Prof. sharing	721,100	414,802
Income taxes	1,069,915	778,447
Dividend declared	267,350	238,239
Other accruals	52,499	109,705
Curr. Liabilities	$ 7,013,744	$ 3,627,713
+ Common stock	656,230	652,348
Add. paid-in capital	10,984,599	10,784,771
Retained earnings	12,517,950	10,552,541
Total Liabilities & Shareholders' Equity	$ 31,172,523	$ 25,617,373

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	10.20	7.24
Working Capital	$17,846,168	$12,627,407
Current Ratio	3.54	4.48
Shareholders' Equity	$24,158,779	$21,989,660

Infrared Industries, Inc.

312 W. First Street
Sanford, Florida 32857
(305) 282-7700

Mailing address:

P.O. Box 14200
Orlando, Florida 32857

Officers: M. Lee McDaniel, president, chief executive officer & chief oper. officer; Max J. Riedl, v.p.; Charles J. Dockendorff, treasurer and chief financial officer; B.A. Byrd, secretary.

Directors: Hamilton O. Hauck, Michael F. Coyne, L. Walter Fleischer, Max J. Riedl, Thomas F. Coyne, John I. Shipp, M. Lee McDaniel.

Divisions:

Instruments Division
P.O. Box 989
Santa Barbara, California 93102
(805) 684-4181

Produces optical instruments, automotive exhaust gas analyzers, lenses, telescopes, mirrors, prisms, beam splitters, optical coatings, reticles and flats; temperature-measuring medical scanning and industrial scanning radiometers; integrators, blackbodies, radiation sources, low noise instrumentation, amplifiers, transistors, preamplifiers, voltage calibrators, integrators, bias supplies, modulators, infrared test consoles and colimators.

Optics Division
Santa Barbara Applied Optics
P.O. Box 989
Santa Barbara, California 93102
(805) 684-5421

Manufactures several proprietary opto-mechanical subsystems integrated into other manufacturers' products.

Detector Division
P.O. Box 14200
Orlando, Florida 32857
(305) 282-7700

Produces radiation detectors and filter wheels, specialized optical filters, interference filter sets and imaging source arrays, filter detectors, microcircuit electronics, dewars and infrared detector test consoles.

Joint Venture:

Benchmark Company

Transfer Agent(s):

Bank of America National Trust & Savings Association
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: INFR (NASDAQ)

Number of Employees:

1984	254	1981	380
1983	262	1980	378
1982	233		

Plant Footage:

1984	110,000 sq. ft.	1981	127,000
1983	140,000 sq. ft.	1980	135,000
1982	N.A.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 14,440,000	$ 689,000
1983	13,215,000	106,000
1982	15,397,000	655,000
1981	15,866,000	432,000
1980	15,596,284	1,304,000

	No. of Com. Shares	Earn. per Share ‡ +
1984	1,649,492	$ 0.41
1983	1,645,617	0.06
1982	1,394,858	0.46
1981	1,294,858	0.31
1980	1,294,858	0.97

‡ Including extraordinary gains of $138,000 ($0.08 per share) in 1984 and $96,000 ($0.07 per share) in 1980.
+ Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Optics	$ 5,249,000	$ 5,575,000
Radiation electronics	10,148,000	7,640,000
Total	$ 15,397,000	$ 13,215,000

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 8,642,000	$ 5.24
1983	7,229,000	4.39
1982	5,930,000	4.25
1981	5,275,000	4.07
1980	4,843,711	3.74

Income Account *

Year ended April 30	1984	1983
Net sales	$ 14,440,000	$ 13,215,000
Cost of sales	9,736,000	8,705,000
Expenses	4,054,000	4,355,000
Int. expense (income)	88,000	(30,000)
Income before taxes	$ 562,000	$ 185,000
Income taxes	11,000	79,000
Net Income	$ 551,000	$ 106,000
Extraord. credit	138,000	—
Net Income & extraord. credit	$ 689,000	$ 106,000

* Included in Costs and Expenses, Depreciation and Amortization: $688,000 in 1984 and $554,000 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 301,000	$ 864,000
Accts. receiv., net	3,064,000	2,488,000
Notes receivable	700,000	—
*Inventories	4,528,000	3,219,000
Prepaid expenses	168,000	76,000
Current Assets	$ 8,761,000	$ 6,647,000
#Fixed assets	3,601,000	3,100,000
Other assets	1,680,000	800,000
Total Assets	$ 14,042,000	$ 10,547,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 353,000	$ 182,000
Accts. payable	1,030,000	950,000
Accruals	365,000	231,000
Accrued payroll	657,000	502,000
Accrued taxes	198,000	149,000
Curr. Liabilities	$ 2,603,000	$ 2,014,000
Long-term debt	2,797,000	1,304,000
+ Common stock	5,764,000	5,740,000
Add. paid-in capital	43,000	43,000
Retained earnings	2,835,000	2,146,000
Note receiv. under stock purch. agr.	—	(700,000)
Total Liabilities & Shareholders' Equity	$ 14,042,000	$ 10,547,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.82	1.40
%Net Income to Sales	4.77	0.80
%Net Income to Equity	7.97	1.47
Sales to Inventories	3.19	4.11
Working Capital	$6,158,000	$4,633,000
Current Ratio	3.37	3.30
Shareholders' Equity	$8,642,000	$7,229,000

Instron Corporation

100 Royall Street
Canton, Massachusetts 02021
(617) 828-2500

Officers: Harold Hindman, chairman of the board & chief executive officer; George S. Burr, vice chairman; Salvatore J. Vinciguerra, president & chief operating officer, Ian M. MacGregor, vice president and managing director of Instron Limited; John G. Griffiths, v.p.-corporate technical director; Donald R. Meltzer, v.p.-finance & treasurer; Paul R. Rugo, secretary & clerk; Beryl Maddows, asst. secretary & asst. clerk.

Directors: George S. Burr, Jr., Paul R. Rugo, John F. Betts, Nicholas J. Grant, Harold Hindman, Robert Cushman, Richard W. Young, Salvatore J. Vinciguerra, Charles A. McKay.

Areas of Work: Develops, manufactures and distributes electromechanical servohydraulic, rheometric, vibration, environmental chamber and electromagnetic resonance instruments, systems and accessories for assessing the physical and mechanical characteristics of the full spectrum of the earth's materials. The Company's product line includes instruments and systems that are microprocessor or computer controlled.

Subsidiaries:

Instron Limited
High Wycombe, Bucks, England

Instron Environmental Limited
High Wycombe, Bucks, England

Instron International, Ltd.
England

Instron S.A.
Buc, France

Instron Japan Company, Ltd.
Tokyo, Japan

Instron Pty., Ltd.
Melbourne, Australia

Instron Canada, Ltd.
Ontario, Canada

Equipamentos Cientificos Instron Ltda.
Sao Paulo, Brazil

Instron Asia Limited
Tokyo, Japan

Transfer Agent(s):

The First National Bank of Boston
40 Morrissey Boulevard
Boston, Massachusetts 02110

Stock Exchange(s): American

Ticker Symbol: ISN

Number of Employees:

1984	1,000	1981	955
1983	1,000	1980	955
1982	1,000		

Plant Footage:

1984	245,000 sq. ft	1981	245,000
1983	245,000	1980	245,000
1982	245,000		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 68,169,000	$ 734,000
1983	64,199,000	2,423,000
1982	58,369,000	61,000
1981	58,124,000	1,102,000
1980	58,538,000	2,874,000

	No. of Com. Shares	Earn. per Share #†
1984	1,990,234	$ 0.36
1983	1,982,334	1.19
1982	1,969,814	0.03
1981	1,963,014	0.56
1980	1,953,580	1.48

# Based on the average number of shares outstanding adjusted to reflect stock split.
† Including extraodinary gains of $148,000 ($0.07 per share) in 1983 and $207,000 ($0.11 per share) in 1980.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.27	—	—
1983	0.23	—	2-for-1
1982	0.20	—	—
1981	0.20	—	—
1980	0.20	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 18,111,000	$ 9.10
1983	19,651,000	9.91
1982	18,981,000	9.64
1981	21,429,000	10.92
1980	23,610,000	12.09

+ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 68,169,000	$ 64,199,000
Cost of sales	37,170,000	34,032,000
Expenses	26,869,000	24,170,000

Oper. profit	$ 4,130,000	$ 5,997,000
Foreign exchange loss (gain)	53,000	3,000
Interest expense	1,687,000	1,787,000
Other expenses	276,000	147,000
Income before taxes	$ 2,114,000	$ 4,060,000
Income taxes	1,380,000	1,785,000
Net Income	$ 734,000	$ 2,275,000
Extraordinary gain	—	148,000
Net Income & extraord. gain	$ 734,000	$ 2,423,000

* Included in Costs and Expenses, Depreciation: $1,325,000 in 1984 and $1,271,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 663,000	$ 542,000
Accts. receiv., net	14,906,000	16,099,000
Refund. inc. taxes	322,000	60,000
*Inventories	19,283,000	19,645,000
Prepaid expenses & other assets	772,000	2,043,000
Current Assets	$ 35,946,000	$ 38,389,000
#Fixed assets	9,443,000	9,524,000
Other assets	383,000	358,000
Total Assets	$ 45,772,000	$ 48,271,000

Liabilities

Notes payable	$ 7,201,000	$ 8,863,000
Long-term debt, curr.	—	785,000
Accts. payable	4,701,000	4,465,000
Accruals	5,512,000	5,180,000
Income taxes	780,000	1,767,000
Advanced payments	735,000	902,000
Curr. Liabilities	$ 18,929,000	$ 21,962,000
Long-term debt	7,798,000	5,521,000
Deferred inc. taxes	364,000	731,000
Long-term liabilities	570,000	406,000
+Common stock	1,990,000	1,982,000
Add. paid-in capital	2,691,000	2,621,000
Retained earnings	19,893,000	19,696,000
Cum. trans. adjust.	(6,463,000)	(4,648,000)
Total Liabilities & Shareholders' Equity	$ 45,772,000	$ 48,271,000

* At lower of cost or market. Inventories valued at LIFO in U.S. & Japan; FIFO in all other countries.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Sales	1.08	3.77
%Net Income to Equity	4.05	12.33
Sales to Inventories	3.54	3.27
Working Capital	$17,017,000	$16,427,000
Current Ratio	1.90	1.75
Shareholders' Equity	$18,111,000	$19,651,000

Instrument Systems Corporation

100 Jericho Quadrangle
Jericho, New York 11753
(516) 938-5544

Officers: Harvey R. Blau, chairman of the board; Robert Balemian, president; Myron I. Levy, v.p.; Susan E. Reilly, secretary; Patrick L. Alesia, treasurer.

Directors: Bertrand Bell, Abraham Buchman, J. Judd Cooperstein, Turner F. Caldwell, Roy Carol, J. Frank Stengel, Jr., William H. Waldorf, Robert Balemian, Harvey R. Blau, Clarence A. Hill, Jr., Robert Berman.

Areas of Work: Through its electronics subsidiary, Telephonics Corporation, the company is engaged in the manufacture of advanced electronic and multiplexed communications, principally for use by commercial and military aircraft. The company also manufactures cable handling systems and submersible hydrophones.

Buildex Incorporated (81% owned), designs, manufactures and sells specialized architectural and hardware components; also fabricates specialized metal products for commercial, industrial, institutional and residential markets.

The Lightron Corporation manufactures and markets a wide range of commercial and industrial products for the lighting and home furnishings industry, including lighting fixtures, mattresses, box springs and frames, related bedroom furniture, wood moldings, synthetic fiber batting and drapery hardware.

Also produces and distributes automatic torque converters and clutches for industrial and recreational vehicles, and a line of aluminum truck bodies.

Divisions and Subsidiaries:

Benjamin Electronic Sound Co.
790 Park Avenue
Huntington, New York 11743
(516) 673-8600
Manufactures and distributes Elac magnetic cartridges. Elac/Miracord automatic turntables.

Concord Communications System Division
790 Park Avenue
Huntington, New York 11743
(516) 673-8600
Manufactures, designs and markets home entertainment systems and industrial television products.

ISC Audio-Earth Sound Research
790 Park Avenue
Huntington, New York 11743
(516) 673-8600
Manufactures, designs and markets electronic guitar amplifiers, P.A. systems, and associated products.

ISC/Data Processing Division
789 Park Avenue
Huntington, New York 11743
(516) 549-8200
Products and services include order and invoice preparation, open order reporting, inventory control, bills of materials, accounts receivable, sales analysis, payroll, general ledgers, overhead expense report, etc.

Instrument Systems International, Inc.
State Road 686, kil. 0.5
Vega Baja, Puerto Rico
(809) 858-1440

Telephonics Division
770 Park Avenue
Huntington, New York 11743
(516) 549-6000
Manufactures, designs and markets multiplex service, entertainment, communications and control systems; airborne and ship data processing and display systems; counter-measures systems; aircraft and ship communications systems; acoustics, electromechanical systems; headsets and microphones.

Lightron Corporation
789 Park Avenue
Huntington, New York 11743
(516) 549-8202
Commercial lighting for offices, stores, factories; chandeliers, lamps and other residential lighting; bedding, molding, drapery hardware.

Bendix Mouldings, Inc.
Dixie Bedding Co.
Geringer and Sons Manufacturing Co.
Grammercy Park Lighting Co.
Auralame Mfg. Co.
Magna Metal Finishing Co.
Laurel Lamp Manufacturing Co.
O.B. Masco Drapery Hardware Company
Schiller Cordey, Inc.
Western Synthetic Felt Co.

Buildex Incorporated
789 Park Avenue
Huntington, New York 11743
(516) 549-8201
* Windows, architectural metalwork, curtainwall, pipe support systems, sliding hardware; hinges, latches and institutional hardware.

Tennyson Corporation
Buildex Supply Corporation
Redco Industries
F & S Central
B-Line Metal Framing Corporation
Electrical Pipe Support Corp.
Grandor Corp.
Standard-Keil Hardware Manufacturing Co.

Lyncoach and Truck Company
231 Bypass
Troy, Alabama 36081
(205) 566-4330
Aluminum truck bodies; aluminum walk-in truck bodies; platform bodies; carnival vans; dental and x-ray coaches and trailers; special mobile units.

Salsbury Industries
1010 East 62nd Street
Los Angeles, California 90001
(213) 232-6181
Automatic clutches and torque converters for industrial and recreational vehicles.

Acquisition(s):

Oneita Knitting Mills
Andrews, South Carolina
Manufactures and distributes fabrics and diversified items of apparel, both knit and woven, primarily for the private label including major chain stores.

Transfer Agent(s):

American Stock Transfer
New York, New York

Stock Exchange(s): American

Ticker Symbol: ISY

Sales and Earnings

	Net Sales ‡	Net Income #
1984	$ 115,374,000	$ 6,592,000
1983	106,072,000	4,633,000
1982	104,273,000	(14,765,000)
1981	102,100,000	(11,407,000)
1980	95,732,000	(15,093,000)

	No. of Com. Shares	Earn. per Share # +
1984	21,394,985	$ 0.29
1983	20,734,122	0.27
1982	7,555,392	—
1981	5,340,971	—
1980	31,783,311	—

(Loss)
‡ Of continuing operations only.
# Including extraordinary gains of $2,800,000 ($0.12 per share) in 1984, $2,250,000 ($0.13 per share) in 1983, $2,000,000 ($0.29 per share) in 1982 and $430,000 ($0.13 per share) in 1981.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Home furnishings & furn. related products	$ 38,780,000	$ 31,982,000
Specialty hardware	17,979,000	18,105,000
Electronic comm. equipment	46,053,000	41,002,000
Other prods.	12,562,000	14,983,000
Total	$ 115,374,000	$ 106,072,000

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 24,066,000	$ 1.12
1983	16,479,000	0.79
1982	14,148,000	1.87
1981	10,043,050	1.88
1980	12,908,630	0.41

‡ After allowing for preferred stock Second Series I at liquidation value.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 115,374,000	$ 106,072,000
Cost of sales	84,557,000	78,621,000
Expenses	23,881,000	20,638,000

Interest expense	1,459,000	3,253,000
Other income	(1,215,000)	(768,000)
Income bef. taxes	$ 6,692,000	$ 4,328,000
Income taxes	2,900,000	1,945,000
Net Income	$ 3,792,000	$ 2,383,000
Extraordinary gain	2,800,000	2,250,000
Net Income & extraord. gain	$ 6,592,000	$ 4,633,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,076,000 in 1984 and $1,792,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash & cash equiv.	$ 31,973,000	$ 6,491,000
Accts. receiv., net	16,590,000	14,094,000
Inc. not yet billed	5,093,000	3,015,000
*Inventories	26,729,000	26,792,000
Prepaid expenses	3,164,000	1,080,000
Current Assets	$ 83,549,000	$ 51,472,000
#Fixed assets	14,588,000	20,792,000
Other assets	3,164,000	507,000
Total Assets	$ 101,301,000	$ 72,771,000

Liabilities

Notes payable	$ 3,888,000	$ 2,502,000
Long-term debt, curr.	358,000	1,018,000
Accts. payable	9,664,000	8,765,000
Accruals	8,125,000	6,660,000
Curr. Liabilities	$ 22,035,000	$ 18,945,000
Long-term debt	36,525,000	15,389,000
Cap. lease oblig.	365,000	3,355,000
Liab. of emp. stock ownership plan	850,000	970,000
Deferred income		
+ Preferred stock:	387,000	406,000
Series A	2,000	2,000
Series I	427,000	430,000
+ Common stock	5,354,000	5,188,000
Add. paid-in capital	73,441,000	72,628,000
Deficit	(32,239,000)	(38,831,000)
Deferred comp.	(1,886,000)	(1,976,000)
Treasury stock	(2,510,000)	(2,285,000)
Redempt. val. Series A pref. stock	(700,000)	(700,000)
Receiv. offset pursuant to purchase agreement	(750,000)	(750,000)
Total Liabilities & Shareholders' Equity	$ 101,301,000	$ 72,771,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.80	4.08
%Net Income to Sales	3.29	2.25
%Net Income to Equity	9.22	7.07
Sales to Inventories	4.31	3.96
Working Capital	$61,514,000	$32,527,000
Current Ratio	3.79	2.72
Shareholders' Equity	$41,139,000	$33,706,000

Intel Corporation

3065 Bowers Avenue
Santa Clara, California 95051
(408) 496-8935

Officers: Gordon E. Moore, chairman of the board & chief executive officer; Robert N. Noyce, vice chairman; Andrew S. Grove, president & chief operating officer; Laurence R. Hootnick, sr. v.p.-corp. marketing; Leslie L. Vadasz, sr. v.p. & dir.-corp. strategic staff; Edward L. Gelbach, sr. v.p. & dir.-corporate sales; William W. Lattin, v.p. & gen. mgr.-Systems Group; David L. House, v.p. & gen. mgr.-Microcomputer Group; Keith L. Thomson, v.p. & asst. gen. mgr. - Systems Group; George H. Schneer, v.p. & gen. mgr.-Non-Volatile Memory Division; Harold Hughes, Jr., treasurer; Jack C. Carsten, sr. v.p. & gen. mgr.-Components Group; Ronald J. Whittier, v.p. & dir.-business development & marketing communications; Eugene J. Flath, v.p.; Craig R. Barrett, v.p. & dir.-Components Die Production; Richard D. Boucher, v.p. & dir.-adm. group; Willard L. Kauffman, v.p. & dir.-Engineering, Components Group; Gerhard H. Parker, v.p. & dir.-technology development; Robert W. Reed, v.p.-finance & chief financial officer; F. Thomas Dunlap, Jr., corporate counsel & secretary.

Directors: Gordon E. Moore*, Arthur Rock*, Edward L. Gelbach, Andrew S. Grove*, D. James Guzy, Richard Hodgson, Sanford Kaplan, Robert N. Noyce*, Max Palevsky, Charles E. Young, C. Arthur Northrup.

* Member of the Executive Committee.

Areas of Work: Engaged in the design, development, manufacture and sale of LSI (large scale integrated) semiconductor components and systems incorporating these components.

Divisions:

Microcomputer Systems Division
Santa Clara, California

Commercial Systems Division
Phoenix, Arizona

MRI Systems Corporation
Austin, Texas

Memory Systems Division
Sunnyvale, California 94086

Components Division
Santa Clara, California

Microcomputer Components Division
Santa Clara, California

Transfer Agent(s):

The First National Bank of Boston
Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: INTC (NASDAQ)

Sales and Earnings

	Net Revenues	Net Income
1984	$1,629,332,000	$ 198,189,000
1983	1,121,943,000	116,111,000
1982	899,812,000	30,046,000
1981	788,676,000	27,359,000
1980	854,561,000	96,741,000

	No. of Com. Shares +	Earn. per Share #
1984	113,832,000	$ 1.70
1983	111,701,000	1.05
1982	90,724,000	0.32
1981	87,532,000	0.31
1980	85,472,000	1.11

+ Adjusted to reflect stock splits.
# Based on the weighted average number of capital shares and capital share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$1,360,163,000	$ 11.95
1983	1,121,740,000	10.04
1982	551,853,000	6.08
1981	487,817,000	5.57
1980	432,860,000	5.06

# Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net revenues	$ 1,629,332	$ 1,121,943
Cost of sales	882,738	624,296
Expenses	496,144	358,930
Interest income	(47,699)	(39,738)
Income before taxes	$ 298,149	$ 178,455
Income taxes	99,960	62,344
Net Income	198,189	116,111

* Included in Costs and Expenses, Depreciation: $113,755,000 in 1984 and $103,007,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 230,652	$ 389,077
Accts. receiv., net	354,135	303,034
*Inventories	219,314	151,903
Prepaid inc. taxes & other assets	154,217	89,317
Current Assets	$ 958,318	$ 933,331
#Fixed Assets	778,282	503,592
Invest. & other assets	292,799	242,727
Total Assets	$ 2,029,399	$ 1,679,650

Liabilities
(000's)

Notes payable	$ 65,533	$ 81,082
Accts. payable	79,900	79,139
Accruals	116,823	73,383
Deferred income	88,413	73,684
Income taxes	39,711	18,262
Curr. Liabilities	$ 390,380	$ 325,550
Long-term debt	146,306	127,586
Deferred inc. taxes	112,690	89,318
Investment tax credits	19,860	15,456
+ Capital stock	683,577	643,343
Retained earnings	676,586	478,397
Total Liabilities & Shareholders' Equity	$ 2,029,399	$ 1,679,650

* At lower of cost (FIFO & currently adjusted standard basis) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	18.30	15.91
%Net Income to Revenues	12.16	10.35
%Net Income to Equity	14.57	10.35
Working Capital	$ 567,938,000	$ 607,781,000
Current Ratio	2.45	2.87
Shareholders' Equity	$1,360,163,000	$1,121,740,000

Intercontinental Dynamics Corporation

170 Coolidge Avenue
Englewood, New Jersey 07631
(201) 567-3600

Officers: Sam Sharko, president & treasurer; John H. Andresen, Jr., Frederick M. Winnai, vice presidents; Ethel C. Lebherz, secretary.

Directors: Stuart A. Jackson, Ethel C. Lebherz, Sam Sharko, Frederick M. Winnai.

Intercontinental Dynamics Corporation

Areas of Work: Develops, fabricates and tests aircraft flight instruments and systems. Among the Company's products are portable air data testers, altimeters, air data computers, encoding altimeters, altitude alerters, static air temperature indicators, SAT/TAS indicators, speed indicators, cabin pressurization systems, and altitude controllers.

Subsidiary:

ICDY International Corporation

Transfer Agent(s):

Register and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ICDY (NASDAQ)

Number of Employees:

1984	N.A.	1981	360
1983	334	1980	350
1982	360		

Plant Footage:

1984	N.A.	1982	68,000
1983	68,000 sq. ft.	1981	68,000

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 19,005,109	$ (1,281,907)
1983	17,799,681	255,458
1982	22,593,653	1,020,885
1981	22,131,349	1,148,506
1980	18,643,601	1,066,926

	No. of Com. Shares #	Earn. per Share #
1984	940,473	$ —
1983	940,473	0.27
1982	940,473	1.09
1981	940,473	1.22
1980	940,473	1.13

(Loss)
# Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.10	—	—
1981	0.10	—	—
1980	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 6,984,366	$ 7.43
1983	8,266,273	8.79
1982	8,010,816	8.52
1981	7,083,978	7.53
1980	6,029,519	6.41

# Based on the average number of shares outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 19,005,109	$ 17,799,681
Cost of sales	16,236,908	12,331,665
Expenses	3,998,189	3,974,721
Interest expense	1,356,919	1,282,465
Income (loss) before taxes	$ (2,586,907)	$ 210,830
Tax credit	(1,305,000)	(44,628)
Net Income (Loss)	$ (1,281,907)	$ 255,458

* Included in Costs and Expenses, Depreciation and Amortization: $373,879 in 1984 and $178,497 in 1983.

Assets

As of June 30	1984	1983
Cash	$ —	$ 151,134
Accts. receiv., net	2,830,180	2,248,355
*Inventories	13,380,636	16,659,885
Construction funds held	—	389,872
Income taxes recv.	1,375,087	177,614
Prepaid expenses	94,534	101,392
Current Assets	$ 17,680,437	$ 19,728,252
#Fixed assets	3,778,275	1,773,621
Defer. charges & other assets	227,000	234,168
Total Assets	$ 21,685,712	$ 21,736,041

Liabilities

	1984	1983
Bank overdraft	$ 77,146	$ —
Notes & loans payable	6,579,153	6,149,157
Accts. payable	2,520,781	1,514,666
Accruals	1,065,466	1,206,145
Curr. Liabilities	$ 10,242,546	$ 8,869,968
Deferred income taxes	3,800	69,800
Long-term debt	4,455,000	4,530,000
*Common stock	94,047	94,047
Add. paid-in capital	1,231,736	1,231,736
Retained earnings	5,658,583	6,940,490
Total Liabilities & Shareholders' Equity	$ 21,685,712	$ 21,736,041

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	—	1.18
%Net Income to Sales	—	0.83
%Net Income to Equity	—	1.79
Sales to Inventories	1.42	1.07
Working Capital	$7,437,891	$10,960,570
Current Ratio	1.73	2.24
Shareholders' Equity	$6,984,366	$ 8,266,273

Interdyne Company

31 S. Milpitas Boulevard
Milpitas, California 95035
(408) 943-9133

Officers: Paul Gilovich, chairman & chief exec. officer; Arthur Honeggar, exec. v.p.; John Sullivan, v.p.-finance; James Blum, v.p.-operations; William M. Ballon, secretary.

Directors: T.D. Caswell*, William M. Ballon*, Charles Blalack, William Lupien, Charles H. Black, Paul Gilovich.

* Member of the Executive Committee.

Areas of Work: The company's business is the development, manufacture, and marketing of magnetic tape drives for use with computers as program loading, back-up, or main memory devices. These units are being designed into personal computers, portable computers, point of sale systems, and telecommunication systems.

NOTE: In May 1983 the company sold its only two operating divisions. Since then, the company has been in the development stage, and its efforts have been expended to develop a new product, a low-cost tape memory device. Consequently, there have been no sales in either the last half of fiscal 1983 or in fiscal 1984.

Transfer Agent(s):

Universal Stock Transfer Company
Woodland Hills, California 91365

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IDYN (NASDAQ)

Number of Employees:

1984	N.A.	1983	25

Plant Footage:

1984	46,500 sq. ft.	1983	18,000

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ —	$ (4,318,700)
1983	386,512	(576,637)
1982	1,024,406	76,285
1981	1,002,471	(28,335)
1980	1,331,292	2,571

	No. of Com. Shares	Earn. per Share ‡†
1984	2,809,018	$ —
1983	2,809,018	—
1982	1,752,018	0.04
1981	1,752,018	—
1980	1,722,018	—

(Loss)
‡ Including extraordinary gain of $16,764 ($0.01 per share) in 1982.
† Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ —	$ —
1983	1,212,644‡	0.43
1982	218,594	0.12
1981	142,309	0.08
1980	147,581	0.09

‡ After allowing for preferred stock at liquidation value.

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ —	$ 386,512
Cost of sales	—	231,848
Expenses	1,770,461	371,032
Research & devel.	2,754,939	649,814
Interest income	(206,700)	(95,312)
Income from sale of divisions	—	(194,633)
Loss before taxes	$ (4,318,700)	$ (576,237)
Income taxes	—	400
Net Loss	$ (4,318,700)	$ (576,637)

* Included in Costs and Expenses, Depreciation and Amortization: $83,377 in 1984 and $6,506 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 2,230,984	$ 3,638,726
*Inventories	358,563	—
Prepaid expenses	61,565	24,265
Other curr. assets	114,931	500
Current Assets	$ 2,766,043	$ 3,663,491
#Fixed assets	726,621	38,012
Other assets	362,260	24,420
Total Assets	$ 3,854,924	$ 3,725,923

Liabilities

	1984	1983
Long-term debt, curr.	$ 68,846	$ 6,205
Accts. payable	643,468	56,337
Accruals	30,884	63,926
Accrued payroll	76,847	127,547
Interest payable	33,748	—
Curr. Liabilities	$ 853,793	$ 254,015
Capitalized lease obligations	410,685	19,264
Convert. subord. notes	3,051,500	—
+ Preferred stock	1,900,000	1,900,000
+ + Common stock	702,255	702,255
+ + Common stock, Series B	246,791	—
Add paid-in capital	2,972,355	1,883,854

Notes received from shareholders	(930,290)	—
Deficit	(5,352,165)	(1,033,465)
Total Liabilities & Shareholders' Equity	$ 3,854,924	$ 3,725,923

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $0.25 par value.

Statistical Summary

Working Capital	$1,912,250	$3,409,476
Current Ratio	3.24	14.42
Shareholders' Equity (Deficiency)	$(461,054)	$3,452,644

INTERMEC Corporation

4405 Russell Road
P.O. Box 360602
Lynnwood, Washington 98046
(206) 348-2600

Officers: David B. Pivan, chairman; David C. Allais, president & chief executive officer; Larry P. Ellefson, v.p.-operations; Roger C. Palmer, v.p.-engineering; William G. Rogers, v.p.-sales & marketing; Charles A. Anderson, treasurer; David J. Posthumus, controller; William H. Gates, secretary; Louis R. Kertesz, v.p.-Human Resourses.

Directors: David C. Allais, David B. Pivan, Steve Sarich, Jr., Charles L. Anderson, John W. Zevenbergen.

Areas of Work: Designs, manufactures and markets bar code related products including impact and thermal printers, laser scanners, port concentrators, accessories, tags and labels. Products are used mainly in industry data capture systems such as inventory control, hospital record tracking, library circulation control, shipping/receiving, and stock/finished goods control.

Subsidiary:

Intermec/Ultra Print Inc.
9616 Inter Ocean Drive
Cincinnati, Ohio 45246
(513) 874-5882

Intermec Industrial Scanners Inc.
2400 Diversified Way
Orlando, Fl. 32804
(305) 423-2394

Affiliates:

Intermec GmbH
Frankfurt, West Germany

Intermec UK Ltd.
Reading, England

Intermec Strichcode AG
Zurich, Switzerland

Data Collection Systems, Inc.
Minneapolis, Minnesota

Intermec Strichcode Systems
Süd GmbH
Munich, West Germany

Transfer Agent(s):

Seattle-First National Bank
Stock Transfer Services
P.O. Box 24186
Seattle, Washington 98124

Stock Exchange(s): Over-the-Counter

Ticker Symbol: INTR (NASDAQ)

Number of Employees:

1984	435	1981	300
1983	351	1980	240
1982	240		

Plant Footage:

1984	125,000 sq. ft.	1981	75,000
1983	125,000	1980	32,000
1982	75,000		

Sales and Earnings

	Net Revenues #	Net Income
1985	$ 40,193,871	$ 4,008,991
1984	26,928,153	3,088,560
1983	20,727,229	2,200,571
1982	14,256,623	715,336
1981	15,636,043	1,650,853

	No. of Com. Shares +	Earn. per Share ‡
1985	5,396,091	$ 0.80
1984	4,510,908	0.66
1983	4,405,260	0.48
1982	4,334,354	0.16
1981	4,300,254	0.41

# Includes revenue from product sales, engineering services and job shop.
+ Adjusted to reflect stock split.
‡ Based on the average number of shares outstanding during the year adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	—
1983	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 30,786,203	$ 5.71
1984	15,437,867	3.42
1983	11,829,594	2.69
1982	9,383,355	4.33
1981	8,531,023	3.97

‡ Adjusted to reflect stock split.

Income Account *

Year ended March 31	1985	1984
Net sales	$ 40,193,871	$ 26,928,153
Cost of sales	20,598,580	13,492,122
Expenses	14,414,506	9,474,531
Interest income	(788,206)	(542,060)
Income before taxes	$ 5,968,991	$ 4,503,560
Income taxes	1,960,000	1,415,000
Net Income	$ 4,008,991	$ 3,088,560

* Included in Costs and Expenses, Depreciation and Amortization: $1,428,503 in 1985 and $713,323 in 1984.

Assets

As of	1985	1984
Cash	$ 5,696,818	$ 204,307
Short-term investment	2,989,172	992,281
Accts. receiv., net	13,782,250	8,453,119
*Inventories	8,551,739	8,129,637
Prepaid expenses	123,657	38,189
Prepaid inc. taxes	565,000	250,000
Current Assets	$ 31,708,636	$ 18,067,553
#Fixed assets	4,740,479	3,012,201
Notes receivable	1,131,557	—
Other assets	360,507	279,280
Total Assets	$ 37,941,179	$ 21,359,014

Liabilities

Accts. payable	$ 3,031,954	$ 2,642,801
Accrued taxes	391,560	267,066
Accrued payroll	1,318,167	1,268,325
Other liabilities	168,526	95,992
Inc. taxes payable	1,174,769	664,143
Accrued warranty expense	720,000	421,820
Curr. Liabilities	$ 6,804,976	$ 5,360,147
Deferred inc. taxes	350,000	561,000
+Common stock	3,237,655	2,706,545
Add. paid-in capital	15,411,327	4,603,092
Retained earnings	12,137,221	8,128,230
Total Liabilities & Shareholders' Equity	$ 37,941,179	$ 21,359,014

* At lower of cost (currently adjusted standards) or market.
# Less accumulated depreciation and amortization.
+ $0.60 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.85	16.72
%Net Income to Sales	9.97	11.47
%Net Income to Equity	13.02	20.01
Sales to Inventories	4.70	3.31
Working Capital	$24,903,660	$12,707,386
Current Ratio	4.66	3.37
Shareholders' Equity	$30,786,203	$15,437,867

International Business Machines Corporation

Old Orchard Road
Armonk, New York 10504
(914) 765-1900

Officers: John R. Opel, chairman of the board; John F. Akers, president and chief executive officer; Paul J. Rizzo, vice chairman; George B. Beitzel, Ralph A. Pfeiffer, Jr., Dean P. Phypers, Kaspar V. Cassani, Ralph E. Gomory, sr. v.p.'s; Nicholas deB. Katzenbach, sr. v.p. & general counsel; Allen J. Krowe, sr. v.p.-finance & planning; Jack D. Kuehler, Clarence B. Rogers, Jr., C. Michael Armstrong, sr. v.p.'s & group executives; John E. Bertram, James A. Bitonti, Ronald F. Casella, Vincent N. Cook, Edward M. Davis, James F. Manning, Victor R. Macdonald, Stephen B. Schwartz, Terry R. Lautenbach, Thomas M. Liptak, Charles P. Biggar, Edward W. Lucente, H. Mitchell Watson, Jr., Lewis M. Branscomb, Walton E. Burdick, Wallace C. Doud, Robert B. Dunlop, P. Martin Foley, Charles E. McKittrick, Jr., Theodore C. Papes, Jr., William W. Eggleston, Victor J. Goldberg, David E. McKinney, John F. Williams, Carl J. Conti, Philip D. Estridge, Donato A. Evangelista, Richard T. Gerstner, Paul J. Kofmehl, Gharles E. Branscomb, William O. Grabe, Lewis W. Gray, Paul r. Low, Marvin L. Mann, M. Kenneth Oshman, Patrick A. Toole v.p.'s; George H. Conrades, Frank A. Metz Jr., v.p. & group executives; John W. Rotenstreich, treasurer; James J. Forese, v.p. and controller; John H. Grady, secretary; Bruce E. Langton, Sidney Handler, asst. treasurers; J. William Scruggs, John H. Stewart, Robert Bonchick, asst. controllers; Thomas C. Irwin, asst. secretary.

Directors: Stephen D. Bechtel, Jr.*, George B. Beitzel, Frank T. Cary*, William T. Coleman, Jr., Carla Anderson Hills, Amory Houghton, Jr.*, Nicholas deB. Katzenbach, William H. Moore*, John R. Opel*, J. Richard Munro, Paul J. Rizzo, Harold Brown, Patricia R. Harris, Dean P. Phypers, William W. Scranton, Irving S. Shapiro*, Richard W. Lyman, Cyrus R. Vance, James E. Burke, John F. Akers, Thomas F. Frist, Jr.

* Member of the Executive Committee.

Divisions:

Information Systems Group

National Accounts Division
Marketing and field administration in U.S. for full standard line of IBM products.

National Distribution Division
Marketing responsibility in U.S. for selected systems and high-volume products delivered through alternate channels of distribution. Also responsible for manufacturing or procurement and marketing within the U.S. of IBM supplies and accessories.

National Marketing Division
Marketing and field administration in U.S. for large and medium accounts.

National Service Division
Provides service for assigned products; manages services business within the U.S. and its territoties; and supports IBM's marketing efforts.

Information Systems and Technology Group

Data Systems Division
Worldwide development responsibility for large, complex systems, with primary emphasis on high-performance products and associated programming, plus U.S. manufacturing responsibility for those systems. Also supplies computer components, including logic and selected memory technologies, used in products that it and other IBM divisions manufacture in the U.S.

General Technology Division
Worldwide development and United States manufacturing responsibility for the component technology requirements of the low-to-moderate price computer made by the General Systems Division and products of the Office Products Division.

Systems Technology Division
Develops and manufactures intermediate processors and printers and develops programming systems.

General Products Division
Worldwide development and United States manufacturing responsibility for computer tape units, disk files and printers.

Information Systems and Communications Group

Communication Products Division
Worldwide development and U.S. manufacturing responsibility for communications equipment, terminal products and related communications technologies and programming.

Entry Systems Division
Worldwide development and product management, and U.S. manufacturing responsibility for IBM's general purpose, low-cost, personal use computer systems and related software.

Information Systems and Products Group

Information Products Division
Markets disk packs and data modules; manufactures and markets data processing cards, magnetic tape and cards, business forms and other consumable products used in information-handling systems.

Systems Products Division
Worldwide development and United States manufacturing responsibility for central processor products including main storage, logic technologies, packaging technology, channels and cables; development and implementation of advanced design and manufacturing support systems.

Other Divisions

Federal Systems Divisions
Concentrates on advanced technology and systems for the ground-based, seaborne, airborne and spaceborne information-handling systems and control needs of the U.S. Government.

Real Estate and Construction Division
Arranges for the construction, purchasing or leasing of new company facilities.

Research Division
Develops technologies of potential long-range importance.

Research Division
Brings scientific understanding to bear on areas of company interest through basic research and development of technologies of potential long-range importance.

Subsidiaries:

IBM Instruments, Inc.
Markets and services products in the analytical instruments field.

IBM Credit Corporation
Offers lease financing of IBM products, either directly or through partnerships, and finances installment receivables resulting from sales by IBM of its information processing systems and equipment to customers in the U.S. it also finances non-IBM equipment.

IBM World Trade Corporation
Conducts IBM's business outside the United States directly or through its subsidiaries.

Science Research Associates, Inc.
Develops, produces and markets textbooks, educational kits, learning systems, guidance products and testing materials and services for elementary and secondary schools, colleges and industry.

IBM World Trade Americas/Far East Corporation
Conducts IBM's business in 44 countries, including Australia, Brazil, Canada, and Japan.

IBM World Trade Europe/Middle East/Africa
Responsible for IBM operations in 77 countries, including the USSR, and the Eastern European countries.

Rolm Corporation
Has worldwide development, manufacturing and marketing responsibility for fully integrated computerized business communication systems including private branch exchanges, voice messaging systems, circuit switched data systems, desktop products, and related applications.

Transfer Agent(s):

Trust General du Canada
1100 University Street
Montreal, Quebec, Canada H3B 2G7

The National Victoria and Grey Trust Company
21 King Street East
Toronto, Ontario, Canada M5C 1B3

Stock Exchange(s): New York, Phil-Balt-Wash, Pacific, Midwest, Cincinnati, Boston, Montreal, Toronto, Austria, Belgium, England, France, Japan, Switzerland, The Netherlands, West Germany.

Ticker Symbol: IBM

Number of Employees:

1984	394,930	1981	354,936
1983	369,545	1980	341,000
1982	364,796		

Sales and Earnings

	Gross Income ‡ (000's)	Net Income (000's)
1984	$ 45,937,000	$ 6,582,000
1983	40,180,000	5,485,000
1982	34,364,000	4,409,000
1981 ×	29,070,000	3,610,000
1980 ×	26,213,000	3,397,000

	No. of Com. Shares	Earn. per Share +
1984	613,076,500	$ 10.77
1983	610,724,641	9.04
1982	602,406,128	7.39
1981 ×	591,838,382	6.14
1980 ×	583,806,832	5.82

‡ Includes sales, services and rentals.
× Restated to reflect change in accounting method to comply with FASB Statement No. 52 concerning foreign currency translation.
+ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$4.10	—	—
1983	3.71	—	—
1982	3.44	—	—
1981	3.44	—	—
1980	3.44	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 26,489,000	$ 43.21
1983	23,219,000	38.02
1982	19,960,000	33.13
1981 ×	17,676,000	29.84
1980 ×	16,578,000	28.40

× Restated.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 29,753,000	$ 23,274,000
Rentals & services	16,184,000	16,906,000
Total Income	$ 45,937,000	$ 40,180,000
Cost of sales	12,374,000	9,748,000
Cost of rentals & services	6,545,000	6,647,000
Expenses	15,787,000	14,196,000
Other income	(800,000)	(741,000)
Interest on debt	408,000	390,000
Income before taxes	$ 11,623,000	$ 9,940,000
Income taxes	5,041,000	4,455,000
Net Income	$ 6,582,000	$ 5,485,000

* Included in Costs and Expenses, Depreciation: $2,987,000,000 in 1984 and $3,362,000,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 600,000	$ 616,000
Marketable securities	3,762,000	4,920,000
Notes & accts. receiv., net	8,111,000	6,222,000
*Inventories	6,598,000	4,381,000
Prepaid expenses	1,304,000	1,191,000
Current Assets	$ 20,375,000	$ 17,330,000
Rental machines	2,950,000	4,866,000
#Fixed assets	13,413,000	11,276,000
Def. charges & other assets	6,070,000	3,989,000
Total Assets	$ 42,808,000	$ 37,461,000

Liabilities
(000's)

Taxes	$ 2,668,000	$ 3,220,000
Loans payable	834,000	532,000
Accts. payable	1,618,000	1,253,000
Compens. & benefits	2,223,000	2,105,000
Deferred income	340,000	382,000
Other accruals	1,957,000	1,670,000
Curr. Liabilities	$ 9,640,000	$ 9,162,000
Long-term debt	3,269,000	2,674,000
Other liabilities	1,353,000	1,475,000
Deferred income taxes	2,057,000	931,000
+ Common stock	5,998,000	5,800,000
Retained earnings	23,486,000	19,489,000
Trans. adjust.	(2,948,000)	(2,070,000)
Treasury stock	(47,000)	—
Total Liabilities & Shareholders' Equity	$ 42,808,000	$ 37,461,000

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1.25 par value.

Statistical Summary

%Income bef. Taxes to Sales, Services & Rentals	25.30	24.74
%Net Income to Sales, Services & Rentals	14.33	13.65
%Net Income to Equity	24.85	23.62
Working Capital	$10,735,000	$ 8,168,000,000
Current Ratio	2.11	1.89
Shareholders' Equity	$26,489,000	$23,219,000,000

International Controls Corp.

P.O. Box 3010
5499 North Federal Highway
Boca Raton, Florida 33431
(305) 997-7400

Officers: William H. Burgess, chairman; John Mosler, vice chairman; Elmer A. Sticco, president & chief executive officer; Jay H. Harris, exec. v.p. & chief operating officer; George L. Hebert, v.p. & treasurer; William C. Ragals, Jr., v.p., gen. counsel & secretary; Thomas W. Horan, controller.

Directors: Charles S. Desmond, Bernard Fein, H. Struve Hensel, John Mosler, William H. Burgess, Philip R. Gustlin, Jay H. Harris, Elmer A. Sticco, William M. Duke.

Subsidiaries:

All American Industries, Inc.
Boca Raton, Florida

Develops and manufactures electromechanical actuators and related components, precision forgings for military and civilian aircraft, bomb bodies and missile motor casings, and aircraft arresting gear. Also manufactures high voltage transmission towers.

All American Engineering Company
Befab-Safeland Ltd.
Anchor Metals, Inc.
Intercontinental Manufacturing Company, Inc.
AAI International Ltd.

Datron Systems, Inc.
Boca Raton, Florida

Produces microwave components for communications and military uses; electro-mechanical relays used in communication, weapons, and radar. Manufactures special electric motors and motor generator sets for the military and business, and an energy conserving steam trap.

Nicholson Division
EEMCO Division
Elektro-Metall Export GmbH
Tech Systems Corp.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): New York, Pacific

Ticker Symbol: INC

Number of Employees:

1984	1,800	1981	2,100
1983	1,700	1980	2,100
1982	1,800		

Plant Footage:

1984	1,304,000 sq.ft.	1981	1,337,000
1983	1,304,000	1980	1,329,000

Sales and Earnings

	Net Sales †	Net Income ‡
1984	$ 138,104,000	$ 8,172,000
1983	107,120,000	6,316,000
1982	131,392,000	12,351,000
1981	128,871,000	7,833,000
1980	110,474,000	12,609,719

	No. of Com. Shares #	Earn. per Share ‡#
1984	3,582,000	$ 2.28
1983	3,886,389	1.63
1982	4,050,329	3.05
1981	3,760,087	2.08
1980	4,876,766	2.58

† Of continuing operations only.
‡ Including extraordinary gains of $315,000 ($0.09 per share) in 1984, $3,400,000 ($0.84 per share) in 1982, and $5,423,987 ($1.11 per share) in 1980.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Aerospace:		
Ordnance prods.	$ 31,944	$ 19,511
Aircraft components & systems	46,868	41,432
Electrical/electronics:		
Microwave waveguide & components	12,037	14,043
Power conversion products	11,700	9,356
Energy-related:		
Engineered prods.	5,603	4,687
Transmission	27,036	12,232
Other	2,916	5,859
Total	$ 138,104	$ 107,120

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.27½	—	—
1983	0.20	—	—
1982	0.45	—	—
1981	0.10	—	—
1980	—	—	5-for-4†

† Authorized Jan., 1981

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 51,441,000	$ 14.36
1983	52,661,000	13.96
1982	48,292,000	12.68
1981	38,528,000	10.26
1980	30,875,273	8.26

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 138,104,000	$ 107,120,000
Cost of sales	108,350	84,103,000
Expenses	15,172,000	13,620,000
Interest income	(427,000)	(322,000)
Other charges (income)	458,000	(490,000)
Income before taxes	$ 14,551,000	$ 10,209,000
Income taxes	6,694,000	4,690,000
Inc.-cont. oper.	$ 7,857,000	$ 5,519,000
Inc.-discont. oper.	—	797,000
Net Income	$ 7,857,000	$ 6,316,000
Extraord. gain	315,000	—
Net Income & extraord. gain	$ 8,172,000	$ 6,316,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,492,000 in 1984 and $2,207,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 7,419,000	$ 16,683,000
Accts. & notes receiv., net	18,915,000	13,617,000
*Inventories	26,557,000	26,743,000
Other current assets	1,240,000	1,094,000
Current Assets	$ 54,131,000	$ 58,137,000
# Fixed assets	20,615,000	18,133,000
Intangibles	7,439,000	6,780,000
Other asssets	4,014,000	4,092,000
Total Assets	$ 86,199,000	$ 87,142,000

Liabilities

Long-term debt, curr.	$ 84,000	$ 132,000
Lease payments, curr.	57,000	104,000
Accts. payable	9,270,000	7,517,000
Accruals	8,253,000	7,555,000
Income taxes	2,407,000	1,975,000
Curr. Liabilities	$ 20,071,000	$ 17,283,000
Long-term debt	11,083,000	13,907,000
Lease payments	713,000	1,043,000
Deferred income	2,891,000	2,248,000
+Common stock	421,000	421,000
Add. paid-in capital	40,343,000	40,326,000
Retained earnings	27,508,000	20,270,000
Treasury stock	(15,927,000)	(7,733,000)
Eq. adjust. from trans.	(904,000)	(623,000)
Total Liabilities & Shareholders' Equity	$ 86,199,000	$ 87,142,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Net Inc. bef. Taxes to Sales	10.54	—
%Net Income to Sales	5.69	—
%Net Income to Equity	15.27	11.99
Sales to Inventories	5.20	4.01
Working Capital	$34,060,000	$40,854,000
Current Ratio	2.70	3.36
Shareholders' Equity	$51,441,000	$52,661,000

International Rectifier Corporation

9220 Sunset Boulevard
Los Angeles, California 90069
(213) 205-3100

Officers: Eric Lidow, president and chairman of the board; Melvin Hochberg, exec. v.p.-pharmaceuticals; Robert J. Mueller, exec. v.p.-world marketing & foreign operations; Gerald A. Koris, exec. v.p., secretary and general counsel; George H. Krause, exec. v.p.-finance & treasurer; Alan E. Lidow, v.p.

Directors: Eric Lidow, Alan Lidow, Warren B. Hayes, George Krsek, James F. Gibbons.

Areas of Work: Manufactures rectifiers, semiconductor devices, metal oxide semiconductor power transistors (MOSFETs), controls, sub-assemblies and closed loop systems, instrumentation for monitoring and controlling hydraulic systems, metallurgical alloys, and ethical pharmaceutical drugs.

Divisions and Subsidiaries:

Semiconductor Division
233 Kansas Street
El Segundo, California 90245
(213) 772-2000

Crydom Solid State Relays
1521 Grand Avenue
El Segundo, California 90245
(213) 322-4987

Rachelle Laboratories, Inc.
700 Henry Ford Avenue
Long Beach, California 90801
(213) 432-3956

Foreign Associate Companies & Subsidiaries:

International Rectifier Corporation Italiana S.p.A.
Via Privata Liguria 49
10071 Borgaro, Turin, Italy

International Rectifier GmbH
Savignystrasse 55
6000 Frankfurt/Main 1, West Germany

International Rectifier Corporation (Japan) Limited
(29% owned)
Daiei Building, 23-7, Shinjuku 3-Chome
Shinjuku-Ku, Tokyo 160, Japan

International Rectifier Company (Great Britain)
Limited
Hurst Green, Oxted
Surrey, England

International Rectifier Corporation

International Rectifier Canada Limited
101 Bentley Street
Markham, Ontario, Canada L3R 3L1
(416) 495-1897

B.V. Diode, Laboratorium voor Electronentechniek
Hollantlaan 22
Utrecht, The Netherlands

Ruttonsha-International Rectifier Private Ltd.
(34% owned)
International House, Bombay-Agra Road
Vikhroli, Bombay 83, India

Diode Espana, S.A.
Avenida Brasil 7
Edif. Iberia Mart
Madrid, Spain

Rectificadores Internacionales, S.A.
Durazno #30, Centro Industrial, Los Olivos, La Mesa de Tijuana
Baja California, Mexico

Transfer Agent(s):

Security Pacific National Bank
333 South Hope Street
Los Angeles, California 90071

Stock Exchange(s): New York, Pacific

Ticker Symbol: IRF

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 122,803,000	$ 8,125,000
1983	126,810,000	(15,489,000)
1982	119,181,000	(2,317,000)
1981	126,230,000	3,432,000
1980	136,623,000	5,509,000

	No. of Com. Shares †	Earn. per Share # ‡
1984	7,135,361	$ 1.34
1983	5,694,406	—
1982	5,574,730	—
1981	5,556,410	0.62
1980	5,513,502	1.01

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gain of $2,811,000 ($0.46 per share) in 1984 and extraordinary loss of $3,310,000 ($0.60 per share) in 1980.
† Adjusted to reflect stock split.
# Based on weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Semiconductors	$ 116,706,000	$ 88,629,000
Antibiotics	6,097,000	38,181,000
Total	$ 122,803,000	$ 126,810,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	0.16	—	—
1981	0.16	—	—
1980	0.16	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 53,403,000	$ 7.48
1983	24,477,000	4.30
1982	39,937,000	7.16
1981	45,836,000	8.25
1980	43,082,000	7.81

‡ Adjusted to reflect stock split.

Income Account

Year ended	7/1/84	7/3/83
Net sales	$ 122,803,000	$ 126,810,000
Cost of sales	77,045,000	89,159,000
Expenses	33,831,000	35,738,000
Interest expense	3,455,000	6,388,000
Other income	(370,000)	(232,000)
Loss on dispos. of bus. line	—	11,440,000
Income (loss) before taxes	$ 8,842,000	$ (15,683,000)
Income taxes (credit)	3,528,000	(194,000)
Net Income (Loss)	$ 5,314,000	$ (15,489,000)
Extraord. gain	2,811,000	—
Net Income (Loss) & Extraord. gain	$ 8,125,000	$ (15,489,000)

Assets

As of	7/1/84	7/3/83
Cash & short-term investments	$ 2,259,000	$ 2,397,000
Accts. receiv., net	29,368,000	24,680,000
Income tax refunds receivable	—	639,000
*Inventories	26,903,000	35,676,000
Deferred taxes	1,101,000	4,952,000
Prepaid expenses	659,000	631,000
Current Assets	$ 60,290,000	$ 68,975,000
Facil. held for sale	5,000,000	5,797,000
Long-term receiv.	862,000	1,069,000
Investments	660,000	548,000
#Fixed assets	29,857,000	26,270,000
Total Assets	$ 96,669,000	$ 102,659,000

Liabilities

Bank loans & long-term debt, curr	$ 5,509,000	$ 8,181,000
Accts. payable	10,271,000	9,813,000
Accruals	3,830,000	5,636,000
Accrued payroll	4,065,000	4,138,000
Income taxes	442,000	278,000
Interest expense	259,000	3,055,000
Litigation award	—	3,429,000
Curr. Liabilities	$ 24,376,000	$ 34,530,000
Long-term debt	14,876,000	34,258,000
Deferred credits	1,297,000	5,059,000
Other liab.	2,717,000	4,335,000
+ Common stock	7,135,000	6,094,000
Add. paid-in capital	29,171,000	9,105,000
Retained earnings	21,570,000	13,445,000
For. curr. translation	(4,473,000)	(4,167,000)
Total Liabilities & Shareholders' Equity	$ 96,669,000	$ 102,659,000

* At lower of cost (principally FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.20	—
%Net Income to Sales	4.33	—
%Net Income to Equity	9.95	—
Sales to Inventories	4.56	3.55
Working Capital	$35,914,000	$34,445,000
Current Ratio	2.47	2.00
Shareholders' Equity	$53,403,000	$24,477,000

Interscience Systems, Inc.

8435 Canoga Avenue
Canoga Park, California 91304
(213) 709-7711

Officers: Sam Volpentest, chairman of the board & secretary; James W. Halverson, president, treasurer & asst. secretary.

Directors: Sam Volpentest, chairman; James W. Halverson, Bjorn Lih, E. Thomas Layton.

Areas of Work: Develops, manufactures, sells, leases and services disk and tape memory systems for the Univac plug-compatible market.

Subsidiaries:

Summit Systems, Inc. (41% owned)
Develops microprocessor-driven gaming devices known as the Summit "AUTOSLOT". This device is a microprocessor combined with related proprietary hardware and electronics which, when installed in a standard electromechanical slot machine, provides a casino operation greater security from cheaters, less maintenance, and a total accounting of all transactions.

Bio-Optronics, Inc.
Sells electronic equipment and patient monitoring devices.

Summit Publications (80% owned)
Publications house, primarily for the gaming industry.

Dale Associates, Inc.
Research and development of video amusement and gaming devices.

Game Plan, Inc.
Manufacturer of slot machines and video and mechanical amusement devices.

Transfer Agent(s):

U.S. Stock Transfer Corporation
8383 Wilshire Blvd., Ste. 360
Beverly Hills, California 90211

Stock Exchange(s): Over-the-Counter

Number of Employees:

1983	113	1981	196
1982	N.A.*	1980	184

Plant Footage:

1983	20,760 sq. ft.	1981	20,760
1982	N.A.*	1980	20,000

*Not Available

Sales and Earnings

	Net Revenues +	Net Income ‡
1983	$ 5,926,000	$ (2,923,000)
1982	5,645,000	(8,333,000)
1981	5,206,000	(4,584,000)
1980	3,978,000	(2,953,000)
1979	5,356,000	440,000

	No. of Com. Shares †	Earn. Per Share ‡ †
1983	1,742,000	$ —
1982	1,627,000	—
1981	1,265,000	—
1980	1,057,230	—
1979	986,546	0.43

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gain of $138,000 ($0.14 per share) in 1979.
† Based on the weighted average number of shares outstanding.

Income Account *

Year ended March 31	1983	1982
Net revenues	$ 5,925,610	$ 5,644,798
Cost of revenues	4,750,089	5,198,597
New prod. develop.	254,092	305,692
Expenses	1,329,177	1,803,894
Interest expense	1,540,914	1,221,739
Write-down of assets	455,638	3,436,829
Loss from unconsol. affil.	518,844	2,010,822
Loss from cont. oper.	$ (2,923,144)	$ (8,332,775)
Inc. (loss) from discont. oper.	(148,539)	187,100
Net Loss	$ (3,071,683)	$ (8,145,675)

* Included in Costs and Expenses, Depreciation and Amortization: $550,341 in 1983 and $848,207 in 1982.

Assets

As of March 31	1983	1982
Cash	$ 72,630	$ 152,239
Accts. receiv., net	412,091	1,118,091
*Inventories	847,504	961,502
Prepaid expenses	22,803	36,834
Current Assets	$ 1,355,028	$ 2,268,666
Eq. in Summit Systems, Inc.	921,411	500,713
#Fixed assets	1,058,630	2,094,141
Goodwill	—	339,840
Other assets	128,828	282,247
Total Assets	$ 3,463,897	$ 5,485,607

Liabilities

Notes payable	$ 1,434,211	$ 1,436,395
Convert. subord. debt	825,000	825,000
Accts. payable	1,158,730	1,328,914
Accrued int. pay.	1,801,103	706,818
Other liab.	1,144,758	1,088,192
Deferred income	34,248	380,951
Curr. Liabilities	$ 6,398,050	$ 5,766,270
Convert. subord. debt	4,688,000	4,688,000
Notes payable	1,763,088	621,402
Lease payments	—	688,512
Deferred income	45,950	117,371
+ Common stock	148,530	145,330
Common stock warrants	30,000	30,000
Add. paid-in capital	10,351,969	10,318,729
Deficit	(19,961,690)	(16,890,007)
Total Liabilities & Shareholders' Equity	$ 3,463,897	$ 5,485,607

* At lower of weighted average cost or market.
# Less accumulated amortization and depreciation.
+ No par value.

Ionics, Incorporated

65 Grove Street
Watertown, Massachusetts 02172
(617) 926-2500

Officers: Averell E. Daniell, chairman of the board; Arthur L. Goldstein, president; William E. Katz, Carl J. McCurdy, exec. v.p.'s; Theodore G. Papastavros, Thomas A. Kirkham, Wayne A. McRae, Edward M. Guild, Walter J. Polens, William B. Iaconelli, Kachig Kachadurian, Edgardo J. Parsi, vice presidents; Harry S. Melikian, treasurer & controller; Robert B. Luick, clerk.

Directors: Thomas A. Kirkham, William E. Katz, Arnaud de Vitry d'Avaucourt, Averell E. Daniell*, Arthur L. Goldstein*, Robert B. Luick, Wayne A. McRae, Carl J. McCurdy, Samuel A. Goldblith, Thomas J. White*.

* Member of the Executive Committee.

Areas of Work: The principal business of the company involves the sale of four groups of products: membrane cells and other separations products; energy related and other fabricated products; instruments and medical products; and water processing systems. Membrane cells and other separations products include: membrane-type hypochlorinators, electrochemical cells for air and liquid waste recycle and recovery; electrochemical cells for manufacture of caustic and chlorine; membranes for medical diagnostics. Energy related products include: water treatment equipment and related equipment, auxiliaries for nuclear and fossil-fuel power plants, heat recovery systems and fired heaters. The instruments include water quality monitors, microprocessor controlled analyzers, oxygen demand and carbon monitors, process titrators, and membranes for diagnostics and other medical applications. Water processing systems include water systems and products for desalting, conditioning and cleaning.

Divisions and Subsidiaries:

Watertown Division
65 Grove Street
Watertown, Massachusetts 02172
(617) 926-2500

Manufacture and sale of water desalination equipment, pollution monitoring instruments, food and chemical processing equipment; research and development activities in electrochemistry and pollution control.

Bridgeville Division
P.O. Box 99
Bridgeville, Pennsylvania 15017
(412) 343-1040

Manufacture and sale of water softening and conditioning equipment, custom-fabricated components for the nuclear, food and chemical industries, and custom-designed air recovery and heat transfer systems; financing activities related to sales of domestic water softening equipment.

General Ionics, Inc.
4178 Market Street
Youngstown, Ohio 44512

Home water softener dealership.

Yuasa-Ionics Co. Ltd. (50% owned)
No. 12-11, 2-Chome
Higashi-Shinbashi
Minato-ku, Tokyo 105, Japan

Supplies pollution abatement products in Japan and the Far East.

Ionics DISC. Inc.
Watertown, Massachusetts

Italba, S.p.A. (49% owned)
Via Mauro Macchi 26
20124 Milan, Italy

Design and construction of water and waste treatment plants in Europe.

Ionics Italiana S.p.A.
Piazza IV Novembre 4
20124 Milan, Italy

Watlington-Waterworks Limited (23% owned)
Devonshire, Bermuda

Ionics Iberica, S.A.
Madrid, Spain

Jalel-Ionics, Ltd.
Manama, Behrain

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American

Ticker Symbol: ION

Sales and Earnings

	Revenues	Net Income
1984	$ 65,003,000	$ 4,829,000
1983	54,182,000	2,335,000
1982	62,181,000	2,553,000
1981	53,751,000	2,000,000
1980	44,527,000	1,828,000

	No. of Com. Shares †	Earn. per Share ‡
1984	2,035,600	$ 2.36
1983	2,013,880	1.15
1982	2,002,000	1.27
1981	1,977,023	1.02
1980	1,883,738	0.95

† Adjusted to reflect stock split.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Water systems	$ 37,307,000	$ 28,938,000
Household water	12,635,000	10,760,000
Separations Tech. & Inst.	8,019,000	6,872,000
Fabricated products	6,141,000	6,774,000
Other	901,000	838,000
Total	$ 65,003,000	$ 54,182,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1 +

+ Effective Mar., 1981.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 24,303,000	$ 11.94
1983	25,842,000	12.83
1982	23,888,000	11.93
1981	21,104,000	10.67
1980	18,381,000	9.76

† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net revenues	$ 65,003,000	$ 54,182,000
Cost of sales	41,089,000	33,235,000
Expenses	17,914,000	15,448,000
Research exp.	2,028,000	1,808,000
Interest income	(796,000)	(339,000)
Equity income	(140,000)	(335,000)
Income before taxes	$ 4,908,000	$ 4,365,000
Income taxes (credit)	(17,000)	2,030,000
Minority interest	96,000	—
Net Income	$ 4,829,000	$ 2,335,000

* Included in Costs and Expenses, Depreciation: $1,443,000 in 1984 and $1,147,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 2,333,000	$ 1,353,000
Comm. paper	7,586,000	9,736,000
Notes receiv., curr.	3,660,000	2,892,000
Accts. receiv., net	19,812,000	11,348,000
Other receiv.	308,000	32,000
*Inventories	11,115,000	10,000,000
Other assets	578,000	504,000
Current Assets	$ 45,392,000	$ 35,865,000
Investments	847,000	1,675,000
Notes receiv.	9,164,000	7,284,000
#Fixed assets	10,255,000	8,590,000
Other assets	602,000	—
Total Assets	$ 66,260,000	$ 53,414,000

Liabilities

Long-term debt, curr.	$ 6,927,000	$ 268,000
Accts. payable	3,854,000	1,718,000
Accruals	4,642,000	3,341,000
Customer deposits	3,053,000	4,232,000
Income taxes	2,653,000	6,005,000
Curr. Liabilities	$ 21,129,000	$ 15,564,000
Long-term debt	7,290,000	2,432,000
Deferred inc. taxes	12,725,000	9,576,000
+ Common stock	2,036,000	2,014,000
Add. paid-in capital	5,700,000	5,090,000
Retained earnings	24,048,000	19,219,000
Cumulative trans. adj.	(692,000)	(481,000)
Total Liabilities & Shareholders' Equity	$ 66,260,000	$ 53,414,000

* At lower of cost (FIFO or standard cost) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income before Taxes to Revenues	7.55	8.06
%Net Income to Revenues	7.43	4.31

%Net Income to Equity	19.87	9.04
Working Capital	$24,263,000	$20,301,000
Current Ratio	2.15	2.30
Shareholders' Equity	$24,303,000	$25,842,000

IPM Technology, Inc.

6851 West Imperial Highway
Los Angeles, California 90045
(213) 646-2994

Officers: Seymour Kahn, president; Robert S. Goldstein, exec. v.p.; Norman Jacobs, secretary & treasurer.

Directors: Norman Jacobs, Seymour Kahn, Robert S. Goldstein, Marvin Goldstein, Roger Kuppinger.

Areas of Work: Primarily involved in electronic manufacturing and aircraft servicing. Electronic products include resistors, fusing devices, circuit breakers and audio accessories.

Divisions and Subsidiaries:

Workman Electronic Products, Inc.
Post Office Box 3828
Sarasota, Florida 33578
(813) 955-4242

Manufactures and markets a wide variety of electronic components, also fabricates plastic and fibre insulators through its division, the Electrical Insulation Company.

Mercury Service, Inc.
6851 West Imperial Highway
Los Angeles, California 90045
(213) 646-2994

Complete aircraft servicing.

Mercury Refueling, Inc.

Refuels commercial and military aircraft.

Crew Transit, Inc.

Provides transportation for airline crews.

Madison and Wall, Inc.
36 West 40th Street
New York, New York 10018
(212) 239-6570

In the business of financing equipment for the company's subsidiaries.

Transfer Agent(s):

American Stock Transfer Company
15 William Street
New York, New York 10005

Stock Exchange(s): American, Boston

Ticker Symbol: IPM

Sales and Earnings

	Net Sales †	Net Income
1984	$ 73,242,000	$ 651,836
1983	52,380,000	161,898
1982	58,220,000	621,759
1981	39,564,000	1,489,496
1980	30,398,000	1,353,444

	No. of Com. Shares ‡	Earn per Share ‡
1984	2,175,616	$ 0.30
1983	2,184,146	0.07
1982	2,228,561	0.28
1981	1,748,969	0.85
1980	1,758,684	0.77

† Of continuing operations only.
‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	10%	—
1983	—	10%	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,498,456	$ 4.83
1983	9,946,243	4.55
1982	9,872,531	4.43
1981	9,648,874	5.52
1980	3,765,798	2.14

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 73,242,150	$ 52,380,046
Cost of sales	67,723,914	47,681,098
Expenses	4,606,652	3,581,370
Prov. for bad debt	263,646	497,280
Interest expense	661,356	824,778
Minority interest	(7,909)	(8,580)
Other income	(861,345)	(321,837)
Income before taxes	$ 855,836	$ 125,937
Income taxes (credit)	204,000	(4,000)
Inc.-cont. oper.	$ 651,836	$ 129,937
Inc.-discont. oper.	—	32,961
Net Income	$ 651,836	$ 161,898

* Included in Costs and Expenses, Depreciation, Amortization and Depletion: $1,440,127 in 1984 and $1,309,328 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 5,284,844	$ 1,017,158
Accts. receiv., net	8,264,136	5,343,244
*Inventories	2,478,704	2,217,237
Prepaid expenses	665,523	821,851
Current Assets	$ 16,693,207	$ 9,399,490
#Fixed assets	11,587,096	10,651,143
Other assets	2,039,898	1,120,331
Total Assets	$ 30,320,201	$ 21,170,964

Liabilities

Long-term debt, curr.	$ 4,605,430	$ 947,157
Accts. payable	3,920,266	3,348,783
Accruals	879,977	700,199
Accrued payroll	498,600	532,005
Other taxes	821,215	511,207
Income taxes	402,153	27,428
Dividends payable	99,623	—
Curr. Liabilities	$ 11,227,264	$ 6,066,779
Long-term debt	7,373,848	4,370,714
Minority interest	22,587	63,418
Deferred inc. taxes	1,198,046	723,810
+ Common stock	543,904	494,483
Add. paid-in capital	7,278,578	6,537,523
Retained earnings	2,675,974	2,914,237
Total Liabilities & Shareholders' Equity	$ 30,320,201	$ 21,170,964

* At lower of cost (FIFO) or market (replacement cost or est. net realizable amt.)
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.17	—
%Net Income to Sales	0.89	—
%Net Income to Equity	6.21	1.63
Sales to Inventories	29.55	17.00
Working Capital	$5,465,943	$3,332,711
Current Ratio	1.49	1.55
Shareholders' Equity	$10,498,456	$9,946,243

IRT Corporation

7650 Convoy Court
P.O. Box 80817
San Diego, California 92138
(714) 565-7171

Officers: Robert L. Mertz, president & chairman of the board; James H. Babcock, v.p. and manager of Washington, D.C. office; Hans J. Weber, v.p. and manager-Nuclear Systems Division; W. Dennis Swift, v.p., manager-Electronic Systems Div.; William R. Gordon, v.p.-finance; Walter D. Bowne, v.p. administration and secretary; Connie I. Boehm, asst. treasurer.

Directors: Robert L. Mertz, Clifford V. Brokaw III, Stanley W. Hubbel, Robert P. Scherer, Jr.

Areas of Work: Radiation effects research, monitoring and testing services, development and manufacture of equipment for measurement of nuclear materials and non-destructive inspection. Manufactures plastic fiber optic materials and industrial products.

Transfer Agent(s):

Manufacturers Hanover Trust Co.
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: IRTC (NASDAQ)

Sales and Earnings

	Revenues +	Net Income
1984	$ 15,614,000	$ 772,000
1983	13,151,000	461,000
1982	12,060,000	344,000
1981	10,331,000	238,000
1980	7,866,000	172,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	1,833,473	$ 0.42
1983	1,455,868	0.32
1982	1,472,325	0.23
1981	1,355,075	0.13
1980	1,355,075	0.13

+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Scientific and Engineering services	$ 9,804,000	$ 7,589,000
Hardware projects	5,810,000	5,562,000
Total	$ 15,614,000	$ 13,151,000

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 9,717,000	$ 5.30
1983	2,894,000	1.99
1982	2,128,000	1.45
1981	1,562,000	1.08
1980	871,000	0.64

Income Account *

Year ended March 31	1984	1983
Revenues	$ 15,614,000	$ 13,151,000
Cost of revenues	13,010,000	11,127,000
Expenses	1,433,000	812,000
Interest expense	251,000	211,000
Other income	(250,000)	(22,000)
Income before taxes	$ 1,170,000	$ 1,023,000
Income taxes	273,000	502,000
Inc.-cont. oper.	$ 897,000	$ 521,000
Loss-discont. oper.	(125,000)	(60,000)
Net Income	$ 772,000	$ 461,000

* Included in Costs and Expenses, Depreciation and Amortization: $532,000 in 1984 and $297,000 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 2,562,000	$ 658,000
Receiv., net	5,606,000	3,214,000
*Inventories	666,000	390,000
Prepaid, deposits & other assets	264,000	104,000
Current assets	$ 9,098,000	$ 4,366,000
#Fixed assets	10,165,000	5,157,000
Other assets	137,000	59,000
Total Assets	$ 19,400,000	$ 9,582,000

Liabilities

	1984	1983
Notes payable	$ 120,000	$ 1,338,000
Long-term debt, curr.	249,000	114,000
Accts. payable, accruals & reserves	2,567,000	1,976,000
Current portion of obligations under capital lease	225,000	103,000
State income taxes payable	54,000	15,000
Curr. Liabilities	$ 3,215,000	$ 3,546,000
Long-term debt	5,707,000	2,920,000
Obligations under capital lease	761,000	222,000
+ Common stock	203,000	139,000
Add. paid-in capital	7,527,000	1,388,000
Contribution to Employee Stock Ownership Plan	—	152,000
Retained earnings	1,987,000	1,215,000
Total Liabilities & Shareholders' Equity	$ 19,400,000	$ 9,582,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1984	1983
%Net Income to Equity	7.94	15.93
Working Capital	$5,883,000	$ 820,000
Current Ratio	2.83	1.23
Shareholders' Equity	$9,717,000	$2,894,000

Isomet Corporation

5263 Port Royal Road
Springfield, Virginia 22151
(703) 321-8301

Officers: Henry Zenzie, president; Jerry W. Rayburn, v.p. & treasurer; John Ciriello, v.p.-mfg.; Leon Bademian, v.p.-technical director; Lee R. Marks, secretary.

Directors: Henry Zenzie, Floyd Eberly, Thomas P. Meloy, Leon Bademian, John Ciriello, Jerry W. Rayburn.

Areas of Work: Engaged in the design and production of laser accessory components and opto-electronic instruments employing synthetic crystals.

Subsidiaries:

Isomet Japan, K.K.
3-6, Minami-Suna
3-chrome
Koto-ku, Tokyo, Japan

Isomet Laser Systems, Ltd.
18 John Baker Close
Llantarnam Industrial Park
Cwmbran, Gwent, United Kingdom NP443AY

Printing Developments Isomet, Ltd.
34 York Way
Kings Cross
London NI 9AB
United Kingdom

Transfer Agent(s):
United Virginia Bank
Box 26665
Richmond, Virginia 23261

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	73	1981	53
1983	59	1980	42
1982	56		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 3,444,000	$ (185,406)
1983	4,154,000	40,234
1982	3,972,000	453,057
1981	4,155,289	913,430
1980	3,365,360	845,613

	No. of Com. Shares #	Earn. per Share ‡#
1984	1,562,756	$ —
1983	1,568,358	0.03
1982	1,552,313	0.29
1981	1,529,592	0.60
1980	1,443,540	0.59

(Loss)
‡ Including extraordinary gain of $398,138 ($0.28 per share) in 1980.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 2,858,662	$ 1.83
1983	2,989,726	1.91
1982	2,913,841	1.88
1981	2,460,784	1.61
1980	1,442,354	1.00

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 3,443,630	$ 4,154,113
Cost of sales	1,926,774	2,607,946
Expenses	1,528,029	1,467,990
Other income	(27,771)	(10,310)
Interest income	(7,892)	(29,992)
Interest expense	204,266	45,471
Income (loss) before taxes	$ (179,776)	$ 73,008
Income taxes	5,630	34,699
Minority interests	—	(1,925)
Net Income (Loss)	$ (185,406)	$ 40,234

* Included in Costs and Expenses, Depreciation and Amortization: $141,540 in 1984 and $125,500 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 180,005	$ 134,127
Investments	5,075	52,128
Accts. receiv., net	1,007,018	857,789
Other receiv.	47,511	41,062
*Inventories	2,995,233	1,560,789
Prepaid expenses	86,081	15,722
Due from officers	53,983	58,871
Cost & est. earnings in exc. of billings	373,724	624,446
Precious metals	192,252	203,608
Refundable income taxes	36,468	48,129
Current Assets	$ 4,977,350	$ 3,596,731
#Fixed assets	908,483	985,788
Other assets	114,541	14,728
Total Assets	$ 6,000,374	$ 4,597,247

Liabilities

	1984	1983
Notes payable	$ 419,249	$ 768,787
Accts. payable	649,859	498,813
Accruals	262,419	249,680
Income taxes	3,938	—
Billings in exc. of costs	123,895	—
Deferred inc. taxes	5,227	—
Curr. Liabilities	$ 1,464,587	$ 1,517,280
Long-term debt:		
Notes payable	1,525,000	—
Other	12,998	13,119
Deferred inc. taxes	139,127	77,122
+ Common stock	1,577,715	1,562,715
Add. paid-in capital	3,536,611	3,521,611
Deficit	(2,275,957)	(2,090,551)
Foreign curr. trans. adj.	20,293	(4,049)
Total Liabilities & Shareholders' Equity	$ 6,000,374	$ 4,597,247

* Inventories of parts and raw chemicals at lower of cost (FIFO) or market. Work in process and finished goods at lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	—	1.76
%Net Income to Sales	—	0.97
%Net Income to Equity	—	1.35
Sales to Inventories	1.15	2.66
Working Capital	$3,512,763	$2,079,451
Current Ratio	3.40	2.37
Shareholders' Equity	$2,858,662	$2,989,726

I.T.T. Corporation

320 Park Avenue
New York, New York 10022
(212) 752-6000

Officers: Rand V. Araskog, chairman, president & chief executive officer; Herbert C. Knortz, exec. v.p. & comptroller; DeRoy C. Thomas, exec. v.p. and president and chief executive I.T.T. Diversified Services Corporation; Frederick W. Gibbs, exec. v.p. & sr. group exec.-Telecommunications; John W. Guilfoyle, exec. v.p. & pres.-ITT Telecommunications Corporation; M. Cabell Woodward, Jr., exec. v.p. & chief financial officer; Howard J. Aibel, senior vice president and general counsel; Charles E. Anderson, exec. v.p. & president-ITT Natural Resources and Food Products Corp.; Robert H. Smith, sr. v.p.-corporate development & economics; John Hanway, sr. v.p.-administration; Daniel F. Lundy, sr. v.p. taxes; John P. Pfann, sr. v.p. & treasurer; Raymond H. Alleman, sr. v.p. and deputy controller; Juan C. Cappello, sr. v.p.-government relations, corporate relations and advertising; V. William Souveroff, sr. v.p.-North American Telecommunication Operations; Daniel P. Weadock, exec. v.p., group exec.-Europe & president-ITT Europe, Inc.; Robert J. Braverman, sr. v.p. & group exec.-communications operations & information services; John J. Chluski, sr. v.p. & exec. representative; Steward S. Flaschen, sr. v.p. & general technical director; Robert E. Laws, sr. v.p.-financial services; John J. Navin, v.p. & secretary; Edmund M. Carpenter, exec. v.p. & president-ITT Industrial Technology Corp.; Daniel P. Nugent, sr. v.p. & group executive-Asia Pacific and Latin America.

Directors: Bette B. Anderson*, Richard S. Perkins*, Margita E. White*, M. Cabell Woodward, Jr., William Elfers*, Alvin E. Friedman*, Herbert C. Knortz, Rand V. Araskog*, Thomas W. Keesee, Jr.*, Terry Sanford*, Michel David-Weill*, Robert A. Schoellhorn*, DeRoy C. Thomas, Ralph P. Davidson, Lawrence S. Eagleburger, John W. Guilfoyle.

* Member of the Executive Committee.

Areas of Work: ITT Corporation is a diversified company active in more than 100 countries with a wide range of manufacturing and service operations. It is an important supplier of telecommunication and electronics equipment, industrial products, natural resource materials, engineered products automotive components, consumer products, food products and aerospace systems. Major service areas include insurance, business and financial services, hotels/motor inns, and international communications.

I.T.T. Corporation

Divisions and Subsidiaries:

- ITT Corporation ("ITT")-Delaware
  - Federal Electric Corporation-Delaware
  - Carbon Industries, Inc.-West Virginia
  - ITT Community Development Corporation-Delaware
  - ITT Dialcom, Inc.-Maryland
  - ITT Systems, Inc.-Delaware
  - ITT Lester Industries, Inc.-Ohio
  - ITT Would Directories, Inc.-Delaware
  - Qume Corporation-California
  - The O.M. Scott & Sons Company-Delaware
  - The Sheraton Corporation-Delaware
  - W. Atlee Burpee Company-Pennsylvania
- ITT Holdings Inc. ("ITT Holdings")-Delaware
  - ITT Canada Limited ("Canada")-Canada
    - ITT Industries of Canada Limited-Canada
  - ITT Grinnell Corporation-Delaware
  - ITT Industries, Inc. ("ITTI")-Delaware
    - Joseph Kempf G.m.b.H.-Germany
    - ITT Gesellschaft fur Beteiligugen m.b.H. ("ITTG")-Germany
      - Deutche ITT Handelsgesellschaft m.b.H.-Germany
      - H.W. Liebrich G.m.b.H.-Germany
      - Transatlantische Rueckversicherungs AG ("Gransatl")-Germany
      - SWF Spezialfabrik fur Autozubehor Gustav Rau G.m.b.H.-Germany
      - Alfred Teves G.m.b.H. ("Teves")-Germany
        - ITT Regelungstechnik Verwaltungs G.m.b.H. (ITTR)-Germany
        - Reiss International-Germany
    - ITT Svenska AB ("Svenska")-Sweden
      - Flygt Aktiebolag-Sweden
      - IKO Kabel AB ("IKO")-Sweden
    - Standard Radio & Telefon AB-Sweden
    - Wiheln. Stadtmuller G.m.b.H.
  - ITT Rayonier Incorporated ("Rayonier")-Delaware
    - Pennsylvania Glass Sand Corporation-Delaware
- International Standard Electric Corporation ("ISEC")-Delaware
  - Bell Telephone Manufacturing Company-Belgium
  - FACE Finanziaria S.p.A.-Italy
  - ITT Austria Gelellschaft m.b.H.-Austria
  - ITT Netherlands, Inc. ("ITTN")-Delaware
    - Standard Finance Netherlands ("SFN")-Netherlands
      - Nederlandsche Standard Electric Maatschappij B.V.-Netherlands
  - ITT Telecom Products Corporation-Delaware
  - ISE Canadian Finance Ltd.-Ontario
  - Intel S.A. ("Intelsa")-Switzerland
    - ITT Standard S.A.-Switzerland
  - Standard Electric Kirk A/S-Denmark
  - Standard Electrica, S.A.-Spain
  - Standard Elektrik Lorenz A.G.-Germany
  - Standard Telephon und Radio A.G.-Switzerland
  - Standard Telefon og Kabelfabrik A/S-Norway
  - Standard Telephones and Cables Pty. Limited-Australia
  - ITT (United Kingdom) Limited-New York
- ITT Communications and Information Services, Inc. ("COINS")-Delaware
  - ITT Communications Services, Inc. ("ITTCSI")-Delaware
    - All America Cables and Radio, Inc.-New York
    - ITT World Communications Inc.-Delaware
    - United States Transmission Systems, Inc.-Delaware

SIGNIFICANT INSURANCE AND FINANCE SUBSIDIARIES NOT CONSOLIDATED

- Hartford Fire Insurance Company ("Hartford")-Connecticut
  - Abbey International Corporation("Abbey")-Georgia
    - ITT Hartford Europe Limited ("ITTHE")-England
      - Abbey Life Group Limited-England
      - Excess Insurance Group Limited-England
  - Hartford Accident & Indemnity Company-Connecticut
  - Hartford Life and Accident Insurance Co. ("HLAI")-Connecticut
    - ITT Life Inusrance Corporation("Life")-Wisconsin
      - Hartford Life Insurance Company ("HLIC")-Connecticut
      - Hartford Variable Annuity Life Insurance Company-Connecticut
- ISE Finance Holdings S.A.-Luxembourg
- ITT Credit Corporation-Delaware
- ITT Consumer Services Corporation ("ITTCS")-Delaware
  - ITT Financial Corporation ("ITTFC")-Delaware
  - Aetna Finance Company-Delaware
  - ITT Consumer Financial Corporation-Delaware
  - ITT Business Services Corporation (Mo.) ("ITTBSC")-Missouri
    - ITT Industrial Credit Company-Nevada
  - ITT Commercial Finance Corporation-Delaware
  - Lyndon Insurance Company-Wisconsin
  - ITT Lyndon Life Insurance Company-Missouri
  - ITT Lyndon Property Insurance Company-Missouri
  - Newport Balboa Savings and Loan Association-California
- Kellogg Credit Corporation-Delaware

Transfer Agent(s):

Office of the Corporation
(common & preferred stock)
320 Park Avenue
New York, New York 10022

Dresdner Bank AG (common only)
Frankfurt-am-Main, Federal Republic of Germany

Stock Exchange(s): New York, Pacific, Toronto, Antwerp, Basel, Berne, Brussels, Geneva, Frankfurt, Lausanne, London, Paris, Tokyo, Vienna, Zurich

Ticker Symbol: ITT

Number of Employees:

1984	252,000	1981	324,000
1983	278,000	1980	348,000
1982	283,000		

Sales and Earnings

	Net Sales + (000's)	Net Income # (000's)
1984	$ 19,553,000	$ 448,000
1983	18,585,000	675,000
1982	19,526,000	663,000
1981	20,399,000	667,000
1980	20,790,000	755,000

	No. of Com. Shares	Earn. per Share #‡
1984	140,000,000	$ 2.97
1983	138,000,000	4.50
1982	133,000,000	4.47
1981	130,000,000	4.51
1980	122,000,000	5.16

+ Includes other revenues and revenues from Insurance and Finance Subsidiaries; of continuing operations only.

Including extraordinary loss of $17,841,000 ($0.12 per share) in 1981.

‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Telecommunications:				
Telecommunications equip.	4,381	23	4,624	26
Defense & Space	1,213	6	1,020	5
Industrial Technology:				
Automotive	1,645	9	1,572	9
Connectors, Components & Semiconductors	879	5	798	5
Industrial prods.	1,813	9	1,657	9
Diversified services:				
Communications oper. & information serv.	874	4	846	5
Hotels & community develop.	626	3	540	3
Insurance oper.	5,724	30	5,053	28
Financial serv.	1,128	6	945	5
Natural Resources	1,002	5	932	5
Total segments	$19,285	100%	$17,987	100%
Dispositions	268		598	
Total sales & revenues	$19,553		$18,585	

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.88	—	—
1983	2.76	—	—
1982	2.70	—	—
1981	2.62	—	—
1980	2.45	—	—

Common Stock Equity

	Total Equity +	Equity Per Share
1984	$5,412,419,000	$ 38.73
1983	5,417,238,000	39.36
1982	5,183,050,000	38.82
1981	5,055,850,000	38.83
1980	4,877,000,000	39.75

+ After allowing for preferred stock at aggregate liquidation value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983 ‡
Sales & revenues	$ 12,700,988	$ 12,490,333
Cost of sales & services	10,154,072	9,803,677
Expenses	1,886,666	1,852,790
Eq. in earn. of Insur. & Fin. subsid.	(186,464)	(318,064)
Gain on cap. stock issue by U.K. affil.	(54,747)	(9,834)
Gain on sale of interest in U.K. subsid.	(10,831)	—
Interest expense	594,432	537,844
Interest & dividend income	(88,491)	(74,726)
Other expense (income)	91,206	(133,464)
Income before taxes	$ 315,145	$ 832,110
Income taxes	2,245	172,834
Minority stock. eq. in net inc.	10,374	21,064
Inc. cont. oper.	$ 302,526	$ 638,212
Inc. discont. oper.	145,520	36,298
Net Income	$ 448,046	$ 674,510

* Included in Costs and Expenses. Depreciation: $446,737,000 in 1984 and $448,663,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 130,518	$ 117,956
Accts. receiv., net	2,157,961	2,158,092
*Inventories	2,181,906	2,256,197
Assets of discont. oper.	127,129	342,712
Other curr. assets	252,014	229,864
Current Assets	$ 4,849,528	$ 5,104,821
Investments, deferred receiv. & other assets	4,012,483	4,056,367
#Fixed assets	4,415,177	4,446,512
Total Assets	$ 13,277,188	$ 13,607,700

Liabilities
(000's)

Short-term debt	$ 1,078,606	$ 1,112,915
Accts. payable	1,096,861	1,131,471
Accrued payroll	428,352	448,819
Accrued taxes	192,304	258,756
Other liab.	782,432	737,848
Curr. Liabilities	$ 3,578,555	$ 3,689,809
Long-term debt	2,588,700	2,687,217
Reserves & deferred liabilities	910,962	876,259
Minority interest	112,035	148,794
Deferred inc. taxes	54,274	99,537
+ Preferred stock	321,153	350,981
+ + Common stock	139,747	137,646
Add. paid-in capital	1,235,273	1,183,807
Retained earnings	5,281,606	5,122,290
Unrealized gain (loss)	(2,110)	51,850
Cum. trans. adjust.	(943,007)	(746,490)
Total Liabilities & Shareholders' Equity	$ 13,277,188	$ 13,607,700

* At lower of cost (FIFO) or market.

Less accumulated depreciation.

+ No par value.

+ + $1 par value.

Statistical Summary

% Net Income to Equity	7.43	11.05
Working Capital	$ 1,270,973	$ 1,415,012
Current Ratio	1.36	1.38
Shareholders' Equity	$6,032,662,000	$6,106,084,000

Jaco Electronics, Inc.

145 Oser Avenue
Hauppauge, New York 11788
(516) 273-5500

Officers: Joel H. Girsky, chairman of the board, president & treasurer; Herbert Entenberg, v.p. & secretary; Denis Haggerty, Raymond A. Bakey, Michael Lissner, v.p.'s.

Directors: Joel H. Grisky, Martin B. Bloch, Stephen A. Cohen, Edward M. Frankel.

Areas of Work: Distributes electronic components manufactured by others to various electronics companies. The company specializes in the distribution of capacitors, semiconductors, integrated circuits and resistors used in electronic consumer products, and electronic equipment for commercial, space and defense industries.

Subsidiaries:

Jaco Overseas Corp.
Components Supply Company, Inc.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): Over-tie-Counter

Ticker Symbol: JACO (NASDAQ)

Number of Employees:

1984	N.A.	1983	120

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income +
1984	$ 29,949,853	$ 1,558,359
1983	29,746,353	(4,890,896)
1982	60,141,015	(1,294,755)
1981	60,037,372	(1,249,456)
1980	64,827,516	1,749,304

	No of Com Shares #	Earn per Share # +
1984	751,125	$ 2.07
1983	751,125	—
1982	751,125	—
1981	751,125	—
1980	751,125	2.33

(Loss)
Based on the weighted average number of shares outstanding.
+ Including extraordinary gain of $740,000 ($0.98 per share) in 1984.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 2,301,745	$ 3.06
1983	743,386	0.99
1982	5,634,282	7.50
1981	6,929,037	9.22
1980	8,178,493	10.89

Based on the weighted average number of shares outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 29,949,853	$ 29,746,353
Cost of sales	21,615,073	23,425,592
Expenses	6,064,930	8,674,125
Interest expense	500,518	938,032
Non-recurring loss on sale of assets	—	1,599,500
Aborted public offering	200,000	—
Deferred income	(89,027)	—
Net Income (Loss)	$ 818,359	$ (4,890,896)
Extraordinary gain	740,000	—
Net Income (Loss) & extraord. gain	$ 1,558,359	$ (4,890,896)

* Included in Costs and Expenses, Depreciation and Amortization: $198,957 in 1984 and $306,327 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 11,349	$ 8,957
Accts. receiv., net	3,891,538	2,860,332
Refundable taxes	—	87,729
*Inventories	3,949,624	3,250,000
Land/bldg. sold	—	1,221,176
Prepaid expenses	218,747	209,869
Current Assets	$ 8,071,258	$ 7,638,063
#Fixed assets	378,218	441,418
Other assets	79,769	88,889
Total Assets	$ 8,529,245	$ 8,168,370

Liabilities

	1984	1983
Bank loans	$ 1,543,913	$ 1,985,354
Accts. payable	2,995,694	3,806,895
Accruals	1,198,820	749,882
Long-term debt, curr.	—	882,853
Curr. Liabilities	$ 5,738,427	$ 7,424,984
Deferred income	489,073	
+ Common stock	75,113	75,113
Add paid-in capital	1,111,127	1,111,127
Retained earnings (Deficit)	1,115,505	(442,854)
Total Liabilities & Shareholders' Equity	$ 8,529,245	$ 8,168,370

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	5.54	—
%Net Income to Sales	2.73	—
%Net Income to Equity	35.55	—
Sales to Inventories	7.58	9.15
Working Capital	$2,332,831	$213,079
Current Ratio	1.41	1.03
Shareholders' Equity	$2,301,745	$743,386

Jetronic Industries, Inc.

Main and Cotton Streets
Philadelphia, Pennsylvania 19127
(215) 482-7660

Officers: Daniel R. Kursman, president and treasurer; Jerome I. Kursman, vice president and secretary; Garth E. Bower, group vice president; Leonard W. Pietrzak, vice president-finance; Marvin Levin, v.p.-retailing; Peter J. Kursman, vice president.

Directors: Daniel R. Kursman, chairman; Jerome I. Kursman, Peter Kursman, Garth E. Bower, Herbert Myers, Les Vizak, Marvin Levin, William L. Weiss.

Areas of Work: Engaged in the design, manufacture, and sale of electronic communication and navigation equipment and the manufacture and sale of circuit boards and instrumentation systems. Also involved in retail sales of furniture, major appliances and marine accessories.

Divisions:

Ray Jefferson Division
Main and Cotton Streets
Philadelphia, Pennsylvania 19127

Development of marine electronic communication and navigation equipment and accessory instruments for commerical and leisure use, including marine radio telephones, radio direction finders, and marine antennas.

Fiber Optics Research and Development Company

Designs, manufactures and distributes fiber optic products in the U.S. and Canada.

Transchem Division
3667 Birch Street
Newport Beach, California 92660

Produces multilayer laminated rigid and flexible etched circuit boards, primarily for the computer and aerospace industries and precision power systems and ground support checkout systems.

Harry Levin, Inc.
Philadelphia, Pennsylvania

Engaged in the retail furniture and appliance business in Philadelphia and Reading, Pennsylvania.

Ross Matthews Corporation
Fall River, Massachusetts

Manufactures narrow tapes, shock cord, industrial straps and related products.

Transfer Agent(s):

Continental Stock Transfer Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: JET

Sales and Earnings

	Revenues (000's)	Net Income † (000's)
1985	$ 40,817	$ 1,091
1984	36,468	641
1983	32,942	690
1982	30,793	(642)
1981	30,591	(436)

	No. of Com Shares ‡	Earn per Share ‡ †
1985	1,974,000	$ 0.55
1984	1,877,000	0.34
1983	1,803,000	0.38
1982	1,808,000	—
1981	1,811,000	—

(Loss)
† Including extraordinary gains of $10,000 in 1985 and $280,000 ($0.15 per share) in 1983.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business
(000's)

	1985	1984
Jetronic Electronic communication & navigation equipment	$ 9,717	$ 7,530
Circuit boards & instrumentation systems	7,081	6,015
The Levin Group Retail furniture & appliances	18,329	17,581
Narrow fabrics & tapes	5,690	5,342
Total	$ 40,817	$ 36,468

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	10%	—
1984	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 9,598,000	$ 4.86
1984	8,227,000	4.41
1983	7,509,000	4.16
1982	6,819,300	3.77
1981	7,461,200	4.12

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Jetronic Industries, Inc.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 39,624,000	$ 35,241,000
Other income	1,193,000	1,227,000
Total Income	$ 40,817,000	$ 36,468,000
Cost of sales	26,194,000	23,650,000
Expenses	10,910,000	10,082,000
Interest expense	1,503,000	1,473,000
Income before taxes	$ 2,210,000	$ 1,263,000
Income taxes	1,129,000	622,000
Net Income	$ 1,081,000	$ 641,000
Extraord. gain	10,000	—
Net Income & extraord. gain	$ 1,091,000	$ 641,000

* Included in Costs and Expenses, Depreciation and Amortization: $395,000 in 1985 and $346,000 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 933,000	$ 690,000
Accts. receiv., net	11,924,000	12,041,000
*Inventories	11,999,000	7,992,000
Deferred inc. taxes	—	192,000
Prepaid expenses	781,000	743,000
Current Assets	$ 25,637,000	$ 21,658,000
#Fixed assets	2,132,000	1,721,000
Goodwill	1,628,000	1,573,000
Other assets	397,000	225,000
Total Assets	$ 29,794,000	$ 25,177,000

Liabilities

	1985	1984
Notes payable	$ 9,589,000	$ 9,786,000
Long-term debt, curr.	548,000	898,000
Accts. payable	1,809,000	1,125,000
Accrued payroll	553,000	467,000
Other accruals	3,210,000	3,418,000
Def. inc. taxes	509,000	—
Curr. Liabilities	$ 16,218,000	$ 15,694,000
Long-term debt	3,886,000	1,256,000
Minority interest	92,000	—
+ Common stock	203,000	167,000
Add. paid-in capital	5,849,000	4,357,000
Retained earnings	3,854,000	3,703,000
Treasury stock	(308,000)	—
Total Liabilities & Shareholders' Equity	$ 29,794,000	$ 25,177,000

* At lower of cost (LIFO) or market; inventories of narrow fabrics and tape stated at FIFO.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	5.58	3.58
%Net Income to Sales	2.73	1.82
%Net Income to Equity	11.26	7.79
Sales to Inventories	3.30	4.41
Working Capital	$9,419,000	$5,964,000
Current Ratio	1.58	1.38
Shareholders' Equity	$9,598,000	$8,227,000

John Fluke Mfg. Co., Inc.

P.O. Box C9090
Everett, Washington 98206
(206) 342-6300

Officers: John M. Fluke Jr., chairman of the board & chief executive officer; George M. Winn, president & chief operating officer; Everts L. Johns, vice president & treasurer; John R. Smith, v.p. & controller; Richard Van Saun, v.p. & mgr.-general test & service division; Jerome A. Froland, v.p. & gen. mgr.-IM&C Division; Frederick R. Hume, v.p.-technology & planning; George O. Trickell, v.p.-personnel & employee relations; William R. Hoffman, v.p. & national sales mgr.; Ronald R. Wambolt, v.p. & dir.-international operations; Douglas G. McKnight, secretary.

Directors: Everts L. Johns, Robert Hofstadter, Richard B. Hooper, James B. Scroggs*, Henry G. Dahl, Jr.*, John M. Fluke, Jr.*, N. Stewart Rogers*, George M. Winn*.

* Member of Executive Committee.

Areas of Work: Designs, manufactures and sells commercial electronic test and measurement instruments and systems for scientific, educational, industrial and governmental applications. Products manufactured include digital voltmeters and multimeter electronic counters, frequency synthesizers, digital thermometers, circuit board testers, data loggers, calibrators and standards, signal generators, automatic test systems, IEEE Bus Controllers and microsystem testers.

Subsidiaries:

Fluke International Sales Corporation
P.O. Box C9090
Everett, Washington 98206

Fluke Automated Systems, Inc.
631 Clyde Avenue
Mountain View, California 94040

Fluke (Nederland) B.V.
P.O. Box 5004 EB
Tilburg, The Netherlands

Fluke (G.B.) Ltd.
Colonial Way
Watford, Herts, WD24TT
England

Fluke (South Africa) Pty. Ltd.
P.O. Box 39797
Bramley 2018
South Africa

Instrument Specialists Sales Group
John Fluke Mfg. Co., Inc.
2020 No. Lincoln Street
Burbank, California 91504

CCI Sales Group
1400 Hicks Road
Rolling Meadows, Illinois 60008

John Fluke Mfg. Co., Inc. - Japan
1 Higashikata-machi
Midori-ku
Yokohama 226, Japan

Fluke Belgium SA/NV
6 Rue de Geneve
1140 Brussels, Belgium

Fluke Brasil-Industria e Comercio Ltda.
Alameda Amazonas, No. 422
Alphaville, Barueri
Sao Paolo, Brazil

Fluke (Deutschland) GmbH
Kraustrasse 32
8045 Ismaning, West Germany

SBM Representative Sales Group -
John Fluke Mfg. Co., Inc.
West 75 Century Road
Paramus, New Jersey 07652

Transfer Agent(s):

Peoples National Bank of Washington
P.O. Box 720
Seattle, Washington 98111

Bradford Trust Company
P.O. Box 467
Washington Bridge
New York, New York 10033

Stock Exchange(s): American, Pacific

Ticker Symbol: FKM

Number of Employees:

1984	2,825

Sales and Earnings

	Net Sales	Net Income
1984	$ 208,076,000	$ 18,983,000
1983	172,674,000	9,585,000
1982	154,395,000	7,831,000
1981	139,580,000	8,478,000
1980	133,864,000	9,625,000

	No. of Com. Shares #	Earn. per Share #
1984	7,965,204	$ 2.39
1983	7,933,390	1.22
1982	7,835,062	1.00
1981	7,782,374	1.10
1980	7,600,153	1.27

Based on average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	5%	—
1982	—	5%	—
1981	—	5%	—
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 104,325,000	$ 13.10
1983	84,800,000	10.69
1982	73,700,000	9.41
1981	64,874,000	8.34
1980	53,357,000	7.02

‡ Adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 208,076	$ 172,674
Cost of sales	92,210	76,090
Expenses	88,797	77,040
Interest expense	3,454	3,379
Other income	(1,102)	(572)
Income before taxes	$ 24,717	$ 16,737
Income taxes	5,734	7,152
Net Income	$ 18,983	$ 9,585

* Included in Costs and Expenses, Depreciation and Amortization: $7,664,000 in 1984 and $7,220,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 16,083	$ 11,744
Accts. receiv., net	40,383	32,982
*Inventories	46,086	40,683
Prepaid inc. taxes	2,163	1,932
Prepaid expenses	1,186	1,200
Current Assets	$ 105,901	$ 88,541
#Fixed assets	61,463	57,318
Other assets	3,964	3,599
Total Assets	$ 171,328	$ 149,458

Liabilities
(000's)

	1984	1983
Notes payable	$ 947	$ 159
Long-term debt, curr.	2,709	2,707
Accts. payable	6,405	4,827
Accruals	17,349	12,651
Income taxes	3,394	3,152

Curr. Liabilities	$ 30,797	$ 23,496
Long-term debt	24,063	26,884
Deferred comp.	3,870	4,084
Deferred inc. taxes	8,273	10,194
+ Common stock	1,998	1,901
Add. paid-in capital	63,056	52,506
Retained earnings	40,729	31,794
Treasury stock	(1,458)	(1,401)
Total Liabilities & Shareholders' Equity	$ 171,328	$ 149,458

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.88	9.69
%Net Income to Sales	9.12	5.55
%Net Income to Equity	18.20	11.30
Sales to Inventories	4.51	4.24
Working Capital	$75,104,000	$65,045,000
Current Ratio	3.44	3.77
Shareholders' Equity	$104,325,000	$84,800,000

Johnson & Johnson

One Johnson & Johnson Plaza
New Brunswick, New Jersey 08933
(201) 524-8313

Officers: James E. Burke, chairman of the board & chief executive officer; David R. Clare, president & chairman of the executive committee; Lawrence G. Foster, v.p.-public relations; Robert A. Fuller, v.p.-science & technology; John J. Heldrich, v.p.-administration; John C. Walcott, v.p.-finance; Frank A. Bolden, secretary; George S. Frazza, general counsel; Andrew J. Markey, treasurer.

Executive Committee Members: David R. Clare, Robert E. Campbell, David E. Collins, Victor J. Dankis, Frank De Angeli, John J. Heldrich, Donald D. Johnston, Arthur M. Quilty, Herbert G. Stolzer, Verne M. Willaman, Robert N. Wilson.

Directors: James E. Burke, Robert E. Campbell, David R. Clare, Ann D. Cook, Joan G. Cooney, Victor J. Dankis, Frank De Angeli, Clifton C. Garvin, Jr., Robert S. Hatfield, John J. Heldrich, Donald D. Johnston, Donald S. MacNaughton, Robert Q. Marston, Arthur M. Quilty, Herbert G. Stolzer, Verne M. Willaman, William O. Baker, Thomas S. Murphy, Paul J. Rizzo, John C. Walcott, Irving M. London.

Areas of Work: The Company's worldwide business is divided into four industry segments: Consumer, Professional, Pharmaceutical and Industrial.

The Consumer segment consists of toiletries and hygienic products, including baby care items, first aid products and nonprescription drugs.

The Professional segment includes ligatures and sutures, diagnostic products, dental products, medical equipment and devices, surgical dressings, surgical specialties, surgical instruments and related items used principally by the professional fields, including hospitals, physicians, dentists, diagnostic laboratories and clinics.

The Pharmaceutical segment is principally prescription drugs, including contraceptives and therapeutics, and veterinary products, which are distributed both directly and through wholesalers for use by health care professionals and the general public.

The Industrial segment includes textile products, industrial tapes and adhesives, collagen sausage castings and fine chemicals. These products are, in general, not end-use products available to or used by the general public, but are either converted or consumed by industrial users in the course of their business activities.

Electronic Subsidiaries:

Technicare Corporation
29100 Aurora Road
Solon, Ohio 44139
(216) 248-1800

Offers physicians products in four diagnostic imaging fields: computed tomography (CT) scanning, nuclear medicine systems, digital x-ray and magnetic resonance (MR).

Xanar, Inc.
2868 Janitell Road
Colorado Springs, Colorado 80906
(303) 576-7050

Produces carbon dioxide lasers used in surgical applications.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Toronto

Ticker Symbol: JNJ

Number of Employees:

1984	74,200	1981	77,100
1983	77,400	1980	74,300
1982	79,700		

Sales and Earnings

	Net Sales (000's)	Net Income † (000's)
1984	$ 6,124,500	$ 514,500
1983	5,972,900	489,000
1982	5,760,900	523,400
1981*	5,399,000	467,600
1980	4,837,400	400,700

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	187,400,000	$ 2.75
1983	190,500,000	2.57
1982	188,000,000	2.79
1981*	186,400,000	2.51
1980	184,800,000	2.17

* 53 weeks.
† Including extraordinary charge of $50,000,000 ($0.27 per share) in 1982.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Consumer	$ 2,600,700	$ 2,530,700
Professional	2,004,200	2,043,100
Pharmaceutical	1,295,700	1,175,800
Industrial	223,900	223,300
Total	$ 6,124,500	$ 5,972,900

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.18	—	—
1983	1.08	—	—
1982	0.97	—	—
1981	0.85	—	3-for-1
1980	0.74	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$2,932,000,000	$ 16.04
1983	3,026,500,000	15.82
1982	2,799,500,000	14.80
1981	2,527,900,000	13.51
1980	2,269,100,000	12.24

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Net sales	$ 6,124,500	$ 5,972,900
Other income	122,500	132,300
Total income	$ 6,247,000	$ 6,105,200
Cost of sales	2,469,400	2,471,800
Expenses	2,488,400	2,352,900
Research expense	421,200	405,100
Interest expense	51,100	51,400
Other expenses	61,800	99,900
Income before taxes	$ 755,100	$ 724,100
Income taxes	240,600	235,100
Net Income	$ 514,500	$ 489,000

* Included in Costs and Expenses, Depreciation and Amortization: $226,300,000 in 1984 and $209,806,000 in 1983.

Assets
(000's)

As of	12/30/84	1/1/84
Cash & cert. of deposit	$ 94,400	$ 122,600
Marketable securities	348,100	303,900
Accts. receiv., net	877,300	836,400
*Inventories	945,400	992,200
Prepaid exp. & other receiv.	248,500	202,000
Current Assets	$ 2,513,700	$ 2,457,100
Marketable securities	162,300	181,500
#Fixed assets	1,720,600	1,668,200
Other assets	144,800	154,700
Total Assets	$ 4,541,400	$ 4,461,500

Liabilities
(000's)

Loans & notes payable	$ 201,400	$ 214,400
Accts. payable	301,600	311,200
Accruals	452,300	384,600
Income taxes	87,100	13,600
Curr. Liabilities	$ 1,042,400	$ 923,800
Long-term debt	224,800	195,600
Cert. of extra compens.	53,000	46,600
Def. inc. taxes	91,700	98,900
Deferred inv. tax cred.	42,200	41,000
Other liabilities	155,300	129,100
+ Common stock	191,800	191,600
Add. paid-in capital	278,600	272,100
Cum. curr. translation adjust.	(366,400)	(260,700)
Retained earnings	3,119,100	2,824,500
Treasury stock	(291,100)	(1,000)
Total Liabilities & Shareholders' Equity	$ 4,541,400	$ 4,461,500

* At lower of cost (FIFO) or market. The majority of domestic inventories valued at LIFO.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.33	12.12
%Net Income to Sales	8.40	8.19
%Net Income to Equity	17.55	16.16
Sales to Inventories	6.48	6.02
Working Capital	$1,471,300,000	$1,533,300,000
Current Ratio	2.41	2.66
Shareholders' Equity	$2,932,000,000	$3,026,500,000

Johnson Controls, Inc.

5757 North Green Bay Avenue
P.O. Box 591
Milwaukee, Wisconsin 53201
(414) 228-1200

Officers: Fred L. Brengel, president & chief executive officer; William L. Rootham, exec. v.p. & chief financial officer; James H. Keyes, Milton C. Zilis, Richard D. Wilson, Frank M. Sterner, George Jacobi, vice presidents; James M. Wade, treasurer; Kenneth J. Kammeraad, secretary; Florence Klatt, asst. secretary.

Johnson Controls, Inc.

Directors: Ettore Barbatelli, Fred L. Brengel*, Seymour F. Johnson, John S. Randall*, William L. Rootham, George L. Vargas, Donald Taylor*, Robert T. Foote, R. Douglas Ziegler*, James L. Krum*, Paul A. Brunner.

* Member of the Executive Committee

Areas of Work: Engaged in the development, production and servicing of computer systems designed for building automation, fire safety and security and energy systems, manufactures and markets auto batteries.

Divisions:

Systems & Services Division
507 E. Michigan Street
P.O. Box 423
Milwaukee, Wisconsin 53201
(414) 274-4000

Provides building automation systems and products which can monitor and control every phase of a building's operations including energy conservation, fire safety and security.

Systems Engineering & Construction Division
207 North Jefferson Street
P.O. Box 423
Milwaukee, Wisconsin 53201
(414) 274-4815

Designs, installs and maintains industrial instrumentation and process control systems.

Control Products Division
1250 E. Diehl
Naperville, Illinois 60540
(312) 654-4900

Designs, produces and distributes energy related products to original equipment manufacturers. Products include a complete line of automatic temperature pressure and flow controls for air conditioning, refrigeration, commercial and residential heating, water pumping and gas burning equipment.

Globe International Unit

Sells battery process equipment and licenses related technology overseas.

Battery Division
5757 N. Green Bay Avenue
P.O. Box 591
Milwaukee, Wisconsin 53201
(414) 228-1200

Manufactures and sells automotive and other rechargeable lead-acid batteries.

Engineered Piping Systems Division
1707 W. Compton Boulevard
Compton, California 90224
(213) 537-7200

Fabricates pipe and related hardware to the country's power generating industries and other large process industries.

Subsidiaries:

Johnson Controls International, Inc.
Milwaukee, Wisconsin

Johnson Controls, Ltd.
Toronto, Ontario, Canada

Transfer Agent(s):

First Wisconsin Trust Co.
P.O. Box 2054
Milwaukee, Wisconsin 53201

Stock Exchange(s): New York

Ticker Symbol: JohnCn

Number of Employees:

1984	21,200	1981	20,000
1983	20,300	1980	18,500
1982	20,500		

Plant Footage:

1984	N.A.	1981	5,023,000
1983	5,750,000 sq. ft.	1980	5,000,000
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$1,425,271,000	$ 66,723,000
1983	1,323,424,000	59,041,000
1982	1,251,522,000	53,839,000
1981	1,128,386,000	48,132,000
1980	964,854,000	33,693,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	14,173,000	$ 4.71
1983	14,145,000	4.17
1982	14,054,000	3.83
1981	13,056,597	3.43
1980	12,962,271	2.41

+ Of continuing operations only.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.66	—	—
1983	1.50	—	—
1982	1.40	—	—
1981	1.30	—	—
1980	1.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 460,145,000	$ 32.49
1983	392,255,000†	29.53
1982	352,627,000†	27.16
1981	327,495,000†	25.49
1980	295,302,920†	23.38

† After allowing for preferred stock at liquidation value.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 1,425,271	$ 1,323,424
Cost of sales	1,066,078	988,381
Expenses	246,325	227,571
Oper. profit	$ 112,868	$ 107,472
Interest income	(16,495)	(14,217)
Other expense (income)	(261)	3,832
Interest expense	9,524	10,884
Income before taxes	$ 120,100	$ 106,973
Income taxes	53,377	47,932
Net Income	$ 66,723	$ 59,041

* Included in Costs and Expenses, Depreciation and Amortization: $43,898,000 in 1984 and $39,719,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & invest.	$ 86,034	$ 114,610
Accts. receiv., net	290,971	246,895
Contract costs in excess of billings	23,457	20,401
*Inventories	158,811	139,284
Other assets	40,634	32,857
Current Assets	$ 599,907	$ 554,047
#Fixed assets	293,611	276,958
Other assets	98,646	95,020
Total Assets	$ 922,164	$ 926,025

Liabilities
(000's)

Short-term debt	$ 4,838	$ 2,991
Long-term debt, curr.	9,763	7,375
Accts. payable	54,092	55,579
Accrued compensation	57,771	70,430
Billings in excess of costs	174,565	167,731
Accrued inc. taxes	28,196	24,470
Other liabilities	61,305	44,219
Curr. Liabilities	$ 390,530	$ 372,795
Long-term debt	109,419	105,185
Deferred inc. taxes	32,070	29,522
+ Preferred stock	—	657
+ + Common stock	7,048	13,263
Add. paid-in capital	166,667	159,405
Retained earnings	300,502	257,164
Cum. trans. adjust.	(14,072)	(11,966)
Total Liabilities & Shareholders' Equity	$ 992,164	$ 926,025

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value, convertible Series B.
+ + $0.50 par value in 1984 and $1.00 in 1983.

Statistical Summary

%Income bef. Taxes to Sales	8.43	8.08
%Net Income to Sales	4.68	4.46
%Net Income to Equity	14.50	14.11
Sales to Inventories	8.97	1.50
Working Capital	$209,377,000	$181,252,000
Current Ratio	1.54	1.49
Shareholders' Equity	$460,145,000	$418,523,000

Julie Research Laboratories, Inc.

211 West 61st Street
New York, New York 10023
(212) 245-2727

Officers: Loebe Julie, president & treasurer; Ora Julie, v.p. & secretary.

Directors: Loebe Julie, Ora Julie.

Areas of Work: Manufactures instruments and modular components. One product is a fully automated system of AC and DC measurement. Other products include voltage dividers, preamplifiers, voltage and current sources, decade resistor boxes, resistors networks, voltage and resistance standards, interface systems and instruments for ultra precise electrical measurement.

Divisions and Subsidiaries:

Optimation Division
211 West 61 Street
New York, New York 10023

Transfer Agent(s):

Harris Trust Company of New York
110 Williams Street
New York, New York 10041

Stock Exchange(s): Over the Counter

Number of Employees:

1984	N.A.	1982	40
1983	N.A.	1981	38

Plant Footage:

1984	N.A.	1982	18,000 sq. ft.
1983	N.A.	1981	18,000

N.A.-Not Available

Sales and Earnings ‡

	Net Sales	Net Income
1984	$ 1,197,541	$ 78,542
1983	1,447,383	283,954
1982	1,225,509	102,568
1981	N.A.	N.A.
1980	1,410,352	79,217

	No. of Com. Shares	Earn. per Share ‡
1984	415,014	$ 0.19
1983	417,514	0.68
1982	417,514	0.25
1981	417,514	N.A.
1980	417,514	0.19

N.A.-Not Available.
‡ Unaudited.
† Based on the weighted average number of common shares outstanding.

Common Stock Equity ‡

	Total Equity	Equity Per Share
1984	$ 769,888	$ 1.86
1983	306,324	0.73
1982	408,892	0.98
1981	N.A.	N.A.
1980	310,774	0.74

N.A. - Not Available.
‡ Unaudited.

Income Account *

Year ended Dec. 31	1984‡	1983‡
Net sales	$ 1,197,541	$ 1,447,383
Cost of sales	749,346	683,736
Expenses	419,707	509,658
Other income	(60,168)	(29,965)
Income before taxes	$ 88,656	$ 283,954
Income taxes	10,114	—
Net Income	$ 78,542	$ 283,954

‡ Unaudited.
* Included in Costs and Expenses, Depreciation and Amortization $12,694 in 1984 and $9,018 in 1983.

Assets

As of Dec. 31	1984‡	1983‡
Cash	$ 64,592	$ 87,265
Short-term invest.	516,842	708,324
Accts. receiv., net	396,182	150,720
*Inventories	74,024	86,543
Prepaid expenses	—	10,525
Loan receiv.	—	3,833
Current Assets	$ 1,051,640	$ 1,047,210
#Fixed assets	16,088	22,775
Total Assets	$ 1,067,728	$ 1,069,985

Liabilities

Accts. payable	$ 32,236	$ 54,934
Accruals	256,604	313,205
Curr. Liabilities	$ 288,840	$ 368,139
Reserve for retirement bonus	9,000	9,000
+ Common stock	442,497	442,497
Add. paid-in capital	154,582	154,582
Retained earnings	307,232	228,690
Treasury stock	(134,423)	(132,923)
Total Liabilities & Shareholders' Equity	$ 1,067,728	$ 1,069,985

‡ Unaudited.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Net Income to Sales	6.56	19.62
%Net Income to Equity	10.20	40.98
Sales to Inventories	16.18	16.72
Working Capital	$762,800	$679,071
Current Ratio	3.64	2.84
Shareholders' Equity	$769,888	$692,846

Kaman Corporation

Blue Hills Avenue
Bloomfield, Connecticut 06002
(203) 243-8311

Officers: Charles H. Kaman, president; Stewart A. Bliss, executive v.p.; Harvey S. Levensen, sr. v.p.; Fred L. Smith, sr. v.p.; Lucian E. Baldwin, Robert D. Moses, vice presidents; Glenn M. Messemer, v.p. & asst. secretary; John S. Murtha, secretary; William P. Desautelle, treasurer; Robert M. Garneau, controller; Eugene G. Daly, Russell H. Jones, James A. Morholt, assistant vice presidents; Roger W. Roy, , Raymond H. Picard, asst. controllers.

Directors: Stewart A. Bliss*, Charles H. Kaman*, John S. Murtha*, John B. Plott, Frederick D. Watkins, Carlyle F. Barnes, Robert H. Willis*, D. Brainerd Holmes, Robert L. Newell*, Forrest S. Petersen, Edythe J. Gaines, Hartzel Z. Lebed, Joseph A. DiBiaggio, Peter L. Scott.

* Member of the Executive Committee

Areas of Work: Manufacturer of musical instruments, aerospace products; nuclear research and nuclear devices, aviation services; industrial parts and services; environmental instrumentation such as digital radiation monitors, computer time sharing, measuring devices.

Divisions and Subsidiaries:

Diversified Technologies
Sciences Group

Neutron generators, advanced materials, measuring devices, weapons studies, nuclear research, advanced aerodynamics, computer time-sharing and programs, and systems analysis.

Kaman Sciences Corporation
Garden of the Gods Road
Colorado Springs, Colorado 80907

Kaman Instrumentation Corporation
Colorado Springs, Colorado 80907

Kaman AviDyne
Barlingto, Massachusetts

Aerospace Group

Airframe components, rotary wing, energy systems, research and development, bearings, couplings.

Kaman Aerospace Corporation
Bloomfield, Connecticut 06002

Kamatics Corporation
Bloomfield, Connecticut 06002

Aviation Services Group

Aircraft sales and services, fuel, repair, charter service, flight training and airline services.

AirKaman of Jacksonville, Inc.
Jacksonville International Airport
Box 18157
Jacksonville, Florida 32229

Music Group

Acoustic and electric guitars, accessories, musical strings; pianos, a complete line of musical instruments.

Coast Wholesale Music Co. of Los Angeles
1215 W. Walnut Street
Compton California 90220

Coast Wholesale Music Co. of San Francisco
200 Industrial Way
San Carlos, California

Ovation Instruments, Inc.
Bloomfield, Connecticut

Kaman Musical String Corporation
Bloomfield, Connecticut

Kaman Music International Gorp.
Bloomfield, Connecticut

C. Bruno & Son, Inc.
San Antonio, Texas
Wheeling, Illinois
Bloomfield, Connecticut
Atlanta, Georgia

Industrial Distribution

Bearing & Supply Group

Line of new and replacement parts for industrial operations. Consulting services in power transmission, material handling and industrial operation.

Kaman Aircraft Bearing
Los Angeles, California

Kaman Bearing and Supply Corp. of California
Kaman Bearing & Supply Co.
140 S. Arrowhead Avenue
San Bernardino, California 92408

Kaman Bearing and Supply Corp. Intermountain
1771 South 450 West
Salt Lake City, Utah 84110

Kaman Bearing and Supply Corp. Northwest
East 4115 Trent Avenue
Spokane, Washington 99220

Kaman Bearing and Supply Corp. East
5900 Firestone Drive
Syracuse, New York 13221

Kaman Bearing and Supply Corp. South
1129 E. Platt Street
Tampa, Florida 33602

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KAMNA (NASDAQ)

Number of Employees:

1984	5,000	1981	4,435
1983	4,804	1980	4,185
1982	4,206		

Sales and Earnings

	Net Sales	Net Income
1984	$ 537,975,000	$ 17,151,000
1983	475,388,000	12,816,000
1982	416,492,000	9,248,000
1981	430,033,000	9,019,000
1980	381,380,000	8,054,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	7,113,000	$ 2.41
1983	7,034,000	1.82
1982	6,898,000	1.34
1981	6,804,000	1.33
1980	6,690,000	1.20

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenue By Line of Business

	1984 (000's)	%	1983 (000's)	%
Diversified technologies	$256,983	48%	$231,924	49%
Industrial distribution	237,479	44	198,463	42
Music	43,513	8	45,001	9
Total	$537,975	100%	$475,388	100%

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.52	—	—
1983	0.42	—	2-for-1
1982	0.33	—	—
1981	0.314	—	3-for-2
1980	0.28	—	—

Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 104,184,000	$ 14.69
1983	89,130,000	12.78
1982	77,934,000	11.36

1981	70,041,000	10.42
1980	62,357,000	9.43

Adjusted to reflect stock splits

Income Account *

Year ended Dec. 31	1984	1983
Revenues:		
Net sales	$ 537,975,000	$ 475,388,000
Other	556,000	507,000
Total	$ 538,531,000	$ 475,895,000
Cost of sales	404,714,000	356,711,000
Expenses	97,644,000	90,797,000
Other income	(2,466,000)	(1,245,000)
Interest expense	4,081,000	3,602,000
Income before taxes	$ 34,558,000	$ 26,030,000
Income taxes	17,407,000	13,214,000
Net Income	$ 17,151,000	$ 12,816,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,512,000 in 1984 and $3,508,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 4,971,000	$ 4,088,000
Short-term investments	35,110,000	30,444,000
Accts. receiv., net	89,845,000	81,926,000
*Inventories	77,211,000	73,275,000
Prepaid expenses	809,000	946,000
Current Assets	$ 207,946,000	$ 190,679,000
#Fixed assets	30,997,000	24,051,000
Other assets	4,339,000	3,773,000
Total Assets	$ 243,282,000	$ 218,503,000

Liabilities

Long-term debt, curr.	$ 4,344,000	$ 4,324,000
Accounts payable	44,103,000	45,412,000
Accrued payroll	9,140,000	8,456,000
Other accruals	13,498,000	11,287,000
Dividends payable	993,000	837,000
Inc. taxes payable	24,722,000	5,975,000
Curr. Liabilities	$ 96,800,000	$ 76,291,000
Long-term debt	30,692,000	35,024,000
Deferred credits	11,606,000	18,058,000
+ Common stock:		
Class A	6,813,000	6,698,000
Class B	278,000	278,000
Add. paid-in capital	18,659,000	17,061,000
Retained earnings	78,788,000	65,308,000
Equity adjustment	(333,000)	(210,000)
Treasury stock	(21,000)	(5,000)
Total Liabilities & Shareholders' Equity	$ 243,282,000	$ 218,503,000

* Inventory of merchandise for resale and parts are stated at cost (FIFO) or market, whichever is lower.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.42	5.48
%Net Income to Sales	3.19	2.70
%Net Income to Equity	16.46	14.38
Sales to Inventories	6.97	6.49
Working Capital	$111,146,000	$114,388,000
Current Ratio	2.15	2.50
Shareholders' Equity	$104,184,000	$ 89,130,000

Kearney National Inc.

Two Continental Towers
1701 Golf Road
Rolling Meadows, Illinois 60008
(312) 593-6046

Officers: Bushrod W. Burns, Jr., chairman of the board; Richard A. Donovan, president & chief executive officer; James A. Jaffe, president & chief operating officer; Joseph L. Aurichio, v.p.-finance & administration, secretary & treasurer; James F. Zboyousky., v.p. & president-Kearney-National (Canada); Ronald W. Keipper, v.p. & president-Wabash Magnetics Division; John C. Rudy, v.p.-operations; John A. Berger, v.p. & president-International Products and Manufacturing, Inc.

Directors: Bushrod W. Burns, Jr., chairman; Richard A. Donovan, Robert R. Dyson, Dante C. Fabiani, John C. Harding III, James A. Jaffe, Sydney Morrell, Lee L. Davenport.

Areas of Work: Manufactures switching, connection, and protective products for the electrical power industry. Also produces flagpoles, lighting poles, magnetic coated tape for the computer and information processing industries. The Wabash Division manufactures conventional and molded electrical coils, transformers, high voltage power supplies, reed switches, reed and mercury relays and electrical and mechanical parts for the automobile market.

Divisions:

Electrical Power Distribution Products

Kearney Division
1928 Montreal Road
Tucker, Georgia 30084

Kearney-National (Canada) Ltd.
430 Elizabeth Street
Guelph, Ontario N1H 6M4
Canada

Hapco Division
Hillman Highway
Abingdon, Virginia 24210

K-P-F- Electric
1624 East Alpine Avenue
Stockton, California 95208

Computer Memory Products

Wabash DataTech, Inc.
Two Continental Towers
1701 Golf Road Suite 400
Rolling Meadows, Illinois 60008

Wabash DataTech (Australia) Pty. Ltd.
Unit 6
25 George Street
Homebush, N.S.W. 2140
Australia

Wabash DataTech (Canada) Inc.
5159 Bradco Blvd.
Mississauga, Ontario L4X 2A6
Canada

Wabash DataTech International Limited
1 Trinity Square
South Woodham Ferrers
Chelmsford
Essex, England CM3 6JF

Electrical and Electronic Components

Wabash Magnetics Division
1375 Swan Street
Huntington, Indiana 46750

Wabash Relay & Electronics Division
First & Webster Streets
Wabash, Indiana 46992

Wabash Autoelectric Components Division
1420 Forum Way South
Fort Worth, Texas 76140

International Products & Manufacturing, Inc.
201 W. Oakton Street
Des Plaines, Illinois 60018

Lodi Division
604 Wooster St.
Lodi, Ohio 44254

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street - 8th Floor
New York, New York 10001

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KERN (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income
1984	$ 202,383,000	$ 5,457,000
1983	180,871,000	9,414,000
1982	177,350,000	7,591,000
1981	186,483,000	6,793,000
1980	60,885,000	2,791,000

	No. of Com. Shares ‡	Earn. per Share #
1984	3,414,611	$ 0.96
1983	3,393,425	1.65
1982	3,348,627	1.34
1981	3,336,252	1.21
1980	3,326,502	0.84

+ Of continuing operations only.
‡ Adjusted to reflect stock split.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Computer memory prods.	$ 55,021,000	$ 56,863,000
Electrical & electronic components	92,076,000	74,711,000
Electrical power distr. prods.	55,286,000	49,297,000
Total	$ 202,383,000	$ 180,871,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.38	—	—
1983	0.32	—	3-for-2
1982	0.20	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 38,079,000	$ 11.15
1983	35,906,000‡	10.58
1982	29,198,000‡	8.72
1981	24,248,000‡	7.27
1980	19,204,000	5.77

‡ After allowing for preferred stock at stated value.
† Adjusted to reflect stock split.

Income Account*
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 202,383	$ 180,871
Cost of sales	144,656	125,757
Expenses	36,119	33,361
Interest expense	4,865	4,618
Other income	(288)	(813)
Income beore taxes	$ 17,031	$ 17,948
Income taxes	6,785	8,576
Inc.-cont. oper.	$ 10,246	$ 9,372
Inc. (loss) discont. oper.	(4,789)	42
Net Income	$ 5,457	$ 9,414

* Included in Costs and Expenses, Depreciation and Amortization: $4,538,000 in 1984 and $3,895,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 2,704	$ 556
Accts. receiv., net	30,796	32,506

*Inventories	27,618	24,290
Deferred inc. tax benefits	2,311	1,067
Prepaid expenses	470	564
Current Assets	$ 63,899	$ 58,983
#Fixed assets	34,992	37,765
Other assets	5,093	4,267
Intangibles	27,965	28,699
Total Assets	$ 131,949	$ 129,714

Liabilities
(000's)

Long term debt, curr	$ 4,843	$ 4,859
Accts. payable	19,884	19,082
Accruals	14,378	11,700
Income taxes	269	3,780
Curr. Liabilities	$ 39,374	$ 39,421
Long term debt	35,401	32,949
Other liabilities	2,744	2,697
Def. inc. taxes	1,351	3,741
+ Preferred stock	15,000	15,000
+ + Common stock	1,707	1,696
Add. paid-in capital	8,675	8,665
Retained earnings	28,271	25,911
For. curr. trans. adjust.	(574)	(366)
Total Liabilities & Shareholders' Equity	$ 131,949	$ 129,714

* At lower of cost or market, domestic inventories at LIFO, foreign at FIFO.
# Less accumulated depreciation
+ No par value
+ + $0.50 par value

Statistical Summary

%Income bef. Taxes to Sales	8.42	—
%Net Income to Sales	2.70	—
%Net Income to Equity	10.28	18.49
Sales to Inventories	7.33	7.64
Working Capital	$24,525,000	$19,562,000
Current Ratio	1.62	1.50
Shareholders' Equity	$53,079,000	$50,906,000

Keithley Instruments, Inc.

28775 Aurora Road
Solon, Ohio 44139
(216) 248-0400

Officers: Joseph F. Keithley, chairman of the board; Thomas G. Brick, president & chief exec. officer; Terrence E. Sheridan, v.p.-radiation measurements division; Gregory R. Bigadza, v.p.-instrument division; Mark A. Frohman, v.p.-human resources; Bruce Griswold, secretary; Ronald M. Rebner, v.p.-control & treasurer.

Directors: Theodore M. Alfred, Donald M. Alstadt, Thomas G. Brick, Joseph F. Keithley, John L. Tormey, Thomas W. Mastin, Bruce Griswold, James T. Bartlett, Angel G. Jordan

Areas of Work: The main product line consists of voltage, current and resistance measuring instruments, digital multimeters, electrometers, picometers, amplifiers and power supplies.

Divisions:

Radiation Measurements Division

Instrument Division

Systems Division

All at:
28775 Aurora Road
Cleveland, Ohio 44139
(216) 248-0400

Subsidiaries:

Keithly Sub, Inc.
Keithly International Sales Corp.

Both at:
28775 Aurora Road
Solon, Ohio 44139
(216) 248-0400

Keithley Instruments, SARL
2 bis rue Leon Blum
B.P. 60
91121 Palaiseau Cedex
France

Keithley Instruments, BV
Arkelsedijk 4
Postbus 559
Gorinchem (Amsterdam)
The Netherlands AN-4200

Keithley Instruments, SA
Kriesbachstrasse 4
CH-8600 Dubendorf
Switzerland

Keithley Instruments, Ges.m.b.H.
Doblinger Hauptstrasse 32
A-1190 Vienna
Austria

Keithley Instruments, Ltd.
1 Boulton Road
Reading, Berkshire, England RG2 ONL

Keithley Instruments, GmbH
Heiglhofstrasse 5
D-8000 Munich 70, West Germany

Joint Venture:

Keithly DAS
349 Congress Street
Boston, Massachusetts 02210

Transfer Agent(s):

AmeriTrust National Association
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	463	1981	467
1983	446	1980	477
1982	461		

Plant Footage:

1981	82,600 sq. ft.	1979	82,600
1980	82,600		

Sales and Earnings

	Net Sales	Net Income #
1984	$ 45,557,000	$ 4,205,000
1983	35,034,000	2,002,000
1982	33,106,000	1,551,000
1981	29,727,000	150,000
1980	27,810,000	1,257,000

	No. of Com. Shares	Earn. per Share † #
1984	734,151	$ 5.57
1983	726,420	2.76
1982	720,920	2.16
1981	714,920	0.21
1980	714,061	1.77

† Based on the weighted average number of shares outstanding.
# Including extraordinary gain of $172,000 ($0.23 per share) in 1983.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.17	—	—
1982	0.16	—	—
1981	0.16	—	—
1980	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 14,241,000	$ 19.40
1983	10,064,000	13.85
1982	8,094,000	11.23
1981	6,734,000	9.42
1980	6,648,000	9.31

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 45,557,000	$ 35,034,000
Cost of sales	19,313,000	15,723,000
Expenses	20,969,000	16,028,000
Interest expense	216,000	208,000
Income before taxes	$ 5,059,000	$ 3,075,000
Income taxes	854,000	1,245,000
Net Income	$ 4,205,000	$ 1,830,000
Extraordinary gain	—	172,000
Net Income & extraord. gain	$ 4,205,000	$ 2,002,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,503,000 in 1984 and $1,013,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 632,000	$ 1,022,000
Accts. receiv., net	8,784,000	5,607,000
Refund. inc. taxes	—	205,000
*Inventories	8,934,000	6,070,000
Prepaid expenses	1,024,000	708,000
Current Assets	$ 19,374,000	$ 13,612,000
#Fixed assets	5,248,000	4,042,000
Intangibles	1,596,000	1,475,000
Other assets	201,000	166,000
Total Assets	$ 26,419,000	$ 19,295,000

Liabilities

Short-term debt & long-term debt, curr.	$ 2,071,000	$ 603,000
Payable to Data Acquisition Systems	—	875,000
Accts. payable	2,247,000	1,508,000
Accrued payroll	3,127,000	2,130,000
Accruals	1,269,000	720,000
Income taxes	1,303,000	435,000
Deferred income taxes	378,000	409,000
Curr. Liabilities	$ 10,395,000	$ 6,680,000
Long-term debt	1,108,000	1,002,000
Deferred compensation	400,000	303,000
Deferred inc. taxes	275,000	1,246,000
+ Common stock	37,000	36,000
Add. paid-in capital	1,362,000	1,108,000
Retained earnings	13,260,000	9,201,000
Foreign curr. transl.	(232,000)	(137,000)
Stock plan	(186,000)	(144,000)
Total Liabilities & Shareholders' Equity	$ 26,419,000	$ 19,295,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	11.10	8.78
%Net Income to Sales	9.23	5.22
%Net Income to Equity	29.53	18.18
Sales to Inventories	5.10	5.77
Working Capital	$8,979,000	$ 6,932,000
Current Ratio	1.86	2.04
Shareholders' Equity	$14,241,000	$10,064,000

Keltron Corporation

225 Crescent Street
Waltham, Massachusetts 02154
(617) 894-8700

Keltron Corporation

Officers: David S. Wilbourn, chief executive officer & treasurer; Harvey M. Fox, president; Jack H. Calechman, clerk

Directors: David S. Wilbourn, chairman; John A. Gershecker, Jr., Harvey M. Fox, Jason Weisman

Areas of Work: Manufactures and markets digital electronics, power supplies and security alarm systems

Divisions:

Elasco Power Supply
Manufactures transformers and other power supplies

Transfer Agent(s):

State Street Bank and Trust Company
225 Franklin Street
Boston, Massachusetts 02101

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	275	1981	230
1983	240	1980	250
1982	210		

Plant Footage:

1984	74,000 sq. ft.	1981	90,000
1983	67,000	1980	75,000
1982	67,000		

Sales and Earnings

	Revenues	Net Income
1984	$ 9,694,423	$ 36,053
1983	8,227,902	117,986
1982	7,922,008	31,045
1981	8,398,945	32,066
1980	7,350,548	213,572

	No. of Com. Shares	Earn. per Share ‡
1984	841,810	$ 0.04
1983	841,810	0.14
1982	841,810	0.04
1981	841,810	0.04
1980	841,810	0.25

‡ Based on weighted average number of common shares outstanding

Revenues By Line of Business

	1984	1983	1982	1981
Digital Instruments	25%	26%	29%	26%
Printed Circuits	—	—	10	10
Power Supplies	75	74	61	64
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,853,790	$ 2.20
1983	1,817,737	2.16
1982	1,699,751	2.02
1981	1,668,706	1.98
1980	1,636,640	1.94

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 9,255,367	$ 8,099,088
Gain on sale	333,163	16,659
Rental income	50,000	55,000
Other income	55,893	57,155
Total Income	$ 9,694,423	$ 8,227,902
Cost of sales	6,557,204	5,348,950
Expenses	2,616,542	2,351,850
Depreciation & amortization	248,615	229,467
Interest expense	231,879	166,849
State inc. taxes	4,130	12,800
Net Income	$ 36,053	$ 117,986

Assets

As of Dec. 31	1984	1983
Cash	$ 8,701	$ 83,280
Marketable securities	37,549	21,719
Accts. receiv., net	2,237,296	1,530,096
*Inventories	2,387,832	1,867,903
Prepaid expenses	4,175	12,179
Current Assets	$ 4,675,553	$ 3,515,177
#Fixed assets	758,674	827,069
Note receivable	388,821	—
Other assets	15,066	28,634
Total Assets	$ 5,838,114	$ 4,370,880

Liabilities

	1984	1983
Notes payable	$ 1,303,307	$ 626,633
Long-term debt, curr.	193,893	130,632
Accts. payable	1,347,726	798,140
Accruals	232,904	157,117
Commissions payable	152,253	118,802
Income taxes	4,130	12,803
Curr. Liabilities	$ 3,234,213	$ 1,844,127
Long-term debt	750,111	709,016
+ Common stock	8,418	8,418
Add. paid-in capital	423,222	423,222
Retained earnings	1,422,150	1,386,097
Total Liabilities & Shareholders' Equity	$ 5,838,114	$ 4,370,880

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.01 par value

Statistical Summary

	1984	1983
% Net Income to Revenues	0.37	1.46
% Net Income to Equity	1.94	6.49
Sales to Inventories	3.87	4.34
Working Capital	$1,441,340	$1,671,050
Current Ratio	1.44	1.91
Shareholders' Equity	$1,853,790	$1,817,737

Kevex Corporation

1101 Chess Drive
Foster City, California 94404
(415) 573-5866

Officers: Glenn T. Seaborg, chairman of the board; Richard S. Frankel, president & chief executive officer; Michael A. Kelly, exec. v.p. & chief operating officer; John W. Colby, David E. Porter, v.p.'s; Richard O. Faria, controller & secretary; Brian Skillicorn, mgr.-Kevex X-Ray Tube Division

Directors: Glenn T. Seaborg, chairman of the board; Clifford H. Higgerson, Stanley T. Lesser, William E. Terry, Richard S. Frankel, Henry P. Massey, Jr., Michael A. Kelly

Business Activities: The company designs, manufactures and markets analytical instruments known as X-Ray energy spectrometer (XES) systems, which are used to determine the concentration of various chemical elements in organic and inorganic materials without altering or destroying the specimen being examined. The XES systems are used in the semiconductor industry to analyze thin films and coatings on silicon wafers. Other applications include medical research, industrial alloy analysis and bulk analysis of minerals, ores, oil and oil additives.

Divisions and Subsidiaries:

GETAC, GmbH (19% owned)
Mainz-Finthen, West Germany

Kevex Corporation (UK)
2 The Howard Estate
Chilton Road
Chesham, Bucks HPS 2AU
United Kingdom

Transfer Agent(s):

Bank of America
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KEVX (NASDAQ)

Number of Employees:

1984	258	1981	275
1983	242	1980	230
1982	277		

Plant Footage:

1984	100,000 sq. ft.	1982	100,000
1983	100,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 17,391,000	$ 1,746,000
1983	15,672,000	25,000
1982	20,132,000	2,147,000
1981	19,808,000	2,413,000
1980	17,004,000	2,071,000

	No. of Com. Shares †	Earn. per Share ‡
1984	4,296,256	$ 0.41
1983	4,261,968	0.005
1982	4,177,834	0.50
1981	3,509,820	0.66
1980	3,382,900	0.60

† Adjusted to reflect stock split
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split

Revenues By Line of Business

	1984	1983
Microanalysis & bulk analysis lab. syst.	67%	73%
Dedicated indust. XRF syst.	14%	10%
Other prods. & services	19%	17%
	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 27,568,622	$ 6.42
1983	26,955,573	6.32
1982	26,774,000	6.41
1981	14,955,000	4.26
1980	11,957,000	3.53

† Adjusted to reflect stock split

Income Account *

Year ended July 31	1984	1983
Net sales	$ 17,390,742	$ 15,671,489
Cost of sales	8,538,694	8,113,674
Expenses	9,057,813	9,066,237
Other income	(1,301,793)	(1,319,077)
Interest expense	27,760	11,245
Income (loss) before taxes	$ 1,068,268	$ (200,590)
Tax credit	(678,068)	(225,840)
Net Income	$ 1,746,336	$ 25,250

* Included in Costs and Expenses, Depreciation and Amortization: $1,183,415 in 1984 and $1,023,210 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 119,047	$ 203,150
Short-term invest.	11,273,351	12,308,387
Accts. receiv., net	4,677,610	3,375,896

Deferred inc. tax benefits	538,019	377,797
*Inventories	5,275,948	4,696,663
Income tax refund	—	466,512
Prepaid expenses	18,517	17,307
Current Assets	$ 21,902,492	$ 21,445,712
#Fixed assets	9,182,133	9,288,567
Other assets	46,520	52,175
Total Assets	$ 31,131,145	$ 30,786,454

Liabilities

Accts. payable	$ 706,053	$ 660,652
Mortgage payable	19,036	17,490
Income taxes payable	285,392	1,000
Fut. warranty costs	532,873	543,997
Accrued professional fees	250,000	172,381
Deferred maint. agreement	458,377	281,612
Other liabilities	631,173	462,115
Curr. Liabilities	$ 2,882,904	$ 2,139,247
Deferred inc. taxes	679,619	1,691,634
+ Common stock	42,963	42,620
Add. paid-in capital	16,715,526	16,641,856
Retained earnings	12,017,433	10,271,097
Total Liabilities & Shareholders' Equity	$ 31,131,145	$ 30,786,454

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.01 par value

Statistical Summary

% Income bef. Taxes to Sales	6.14	—
% Net Income to Sales	10.04	0.16
% Net Income to Equity	6.33	0.09
Sales to Inventories	3.30	3.34
Working Capital	$19,019,588	$19,306,465
Current Ratio	7.60	10.02
Shareholders' Equity	$27,568,622	$26,955,573

Kevlin Microwave Corporation

26 Conn Street
Woburn, Massachusetts 01801
(617) 935-4800

Officers: James S. Galbraith, chairman of the board & treasurer; Ernest W. Lattanzi, president & chief executive officer; John J. Moran, v.p. & clerk.

Directors: James S. Galbraith, chairman; Donald F. Brown, Ernest W. Lattanzi, John J. Moran, David Harkins, Bernard Planksy.

Areas of Work: Engaged in the production of R.F. rotary joints which are used to couple rotating radar antennas to stationary transmitters and receivers; also engaged in machine jobbing work.

Divisions:

Microwave Division
X-L Machine and Tool Division

KMC International, Inc. (DISC)

Transfer Agent(s):

Bank of Boston
The 100 Federal Street
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KVLM (NASDAQ)

Number of Employees:

1984	104	1982	72
1983	85	1981	66

Plant Footage:

1984	40,000 sq. ft.	1982	30,000
1983	30,000	1981	26,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,517,663	$ 785,154
1983	5,928,910	556,672
1982	4,468,366	377,856
1981	4,163,503	297,736
1980	3,363,821	256,665

	No. of Com. Shares #	Earn. per Share #
1984	2,500,720	$ 0.31
1983	2,325,814	0.24
1982	2,421,582	0.16
1981	2,367,978	0.13
1980	2,352,771	0.11

Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—		—
1983			3-for-2
1982			2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 4,387,697	$ 1.86
1983	2,349,451	1.15
1982	1,730,746	0.88
1981	1,610,391	0.73
1980	1,302,905	0.60

Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended May 31	1984	1983
Net sales	$ 7,517,663	$ 5,928,910
Cost of sales	4,648,945	3,643,676
Expenses	1,575,365	1,322,261
Other income	(111,166)	(24,171)
Income before taxes	$ 1,404,519	$ 987,144
Income taxes	619,365	430,472
Net Income	$ 785,154	$ 556,672

* Included in Costs and Expenses: Depreciation: $220,244 in 1984 and $151,900 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 2,352,005	$ 244,948
Accts. receiv., net	1,533,470	914,675
Refund inc. taxes	—	245,645
*Inventories	619,571	428,513
Exc. costs on uncomp. contracts	743,991	1,089,939
Prepaid expenses	36,557	
Current Assets	$ 5,285,594	$ 2,914,720
#Fixed assets	1,331,765	951,238
Total Assets	$ 6,617,359	$ 3,865,958

Liabilities

Accts. payable	$ 312,574	$ 374,935
Billings in exc. of costs on uncomp. cont.	24,008	12,296
Accruals	602,115	476,896
Income taxes	364,004	—
Deferred inc. taxes	655,648	539,723
Obligation under capital lease, curr.	19,091	—
Curr. Liabilities	$ 1,977,440	$ 1,403,850
Deferred income taxes	153,580	112,657
Oblig. under capital lease	98,642	—
+ Common stock	$ 264,338	$ 233,338
Add. paid-in capital	1,464,428	249,813
Retained earnings	2,944,854	2,159,700
Treasury stock	(285,923)	(293,400)
Total Liabilities & Shareholders' Equity	$ 6,617,359	$ 3,865,958

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	18.68	16.65
% Net Income to Sales	10.44	9.39
% Net Income to Equity	17.89	23.69
Sales to Inventories	12.13	13.84
Working Capital	$3,308,154	$1,510,870
Current Ratio	2.67	2.08
Shareholders' Equity	$4,387,697	$2,349,451

Kidde, Inc.

(formerly Walter Kidde & Company, Inc.)

Park 80 West-Plaza Two
Box 5555
Saddle Brook, New Jersey 07662
(201) 594-7874

Officers: Fred R. Sullivan, chairman & president; Bernard N. Ames, vice chairman; S. Harrison Dogole, Leonard T. Riccardo, sr. v.p.'s; Richard P. Barnitt, sr. v.p. & controller; David R. Ficca, exec. v.p. & secretary; John L. Kidde, Kenneth W. Watts, Robert L. Gable, Harvey S. Ekenstierna, Louis T. Tedeschi, Kevin M. Sheridan, Francis V. Lloyd, v.p.'s; William B. McBride, v.p. & treasurer; Agnes Marden, asst. secretary; Vincent S. DeLorenzo, asst. controller; Thomas E. Grandell, asst. treasurer.

Directors: Fred R. Sullivan, chairman; Bernard N. Ames, John F. Kidde, Fred E. Braemer, Carl W. Walter, Theron L. Marsh, Norman E. Alexander, Joseph F. McKinney, George T. Scharffenberger, David R. Ficca, Donald A. McMahon.

Areas of Work: Safety, security and protection products, including fire and intrusion protection equipment, vaults and locks, testing and engineering equipment and services, and security guard services. Consumer and commercial products, including lighting fixtures and housewares, commercial fixtures and furnishings, consumer products and services. Industrial equipment including materials handling equipment, energy equipment, aircraft equipment, office supplies and equipment, sports and leisure products.

Divisions and Subsidiaries:

Arrow Lock Corporation
103-00 Foster Avenue
Brooklyn, New York 11236
(718) 257-4700

Chatas Glass Company, Inc.
570 Broadlawn Terrace
Vineland, New Jersey 08360
(609) 691-5600

Ovenaire-Audio-Carpenter Divisions
706 Forrest Street
P.O. Box 1528
Charlottesville, Virginia 22901
(894) 977-8050

Grove Manufacturing (Canada) Ltd.
1051 Heritage Road
Burlington, Ontario, Canada I7L, 4Y1
(416) 335-3863

Craig Systems Corporation
10 Industrial Way
Amesbury, Massachusetts 01913-4848
(617) 388-5662
(617) 688-6961

Farberware Division
1500 Bassett Avenue
Bronx, New York 10461
(212) 863-8000

The Ertl Company
Highway 136 and 20
Dyersville, Iowa 52040
(319) 875-2461

Fenwal Incorporated
400 Main Street
Ashland, Massachusetts 01721
(617) 881-2000

Fenwal Controls of Japan, Ltd.
No. 3 Mori Building
4-10, 1 Chrome, Nishi Shinbashi
Minato-ku, Tokyo, Japan
03 (503) 1641

Garden State Tanning
215 Lexington Avenue
New York, New York 10016
(212) 679-8910

Kidde Automated Systems
835 Sharon Drive
Westlake, Ohio 44145
(216) 871-9900

Kidde Consultants, Inc.
1020 Cromwell Bridge Road
Baltimore, Maryland 21204
(301) 321-5500

Kidde Consultants, Inc.
Hennepin Square - Suite 238
2021 East Hennepin Avenue
Minneapolis, Minnesota 55413
(612) 331-8667

Globe Security Systems, Inc.
2503 Lombard Street
Philadelphia, Pennsylvania 19146
(215) 546-6900

Greenwald Industries Division
1340 Metropolitan Avenue
Brooklyn, New York 11237-1194
(212) 456-6900

Grove Manufacturing Company
P.O. Box 21
Shady Grove, Pennsylvania 17256
(717) 597-8121

Halkey-Roberts Corporation
11600 9th St. No.
St. Petersburg, Florida 33702-1098
(813) 577-1300

Houston Electronics Division
501 Pine Street Extension
Kane, Pennsylvania 16735
(814) 837-9550

The Jade Corporation
3063 Philmont Avenue
Huntingdon Valley, Pennsylvania 19006
(215) 947-3333

Jacuzzi, Inc.
12401 Interstate 30
P.O. Box 8903
Little Rock, Arkansas 72219-8903
(501) 455-1234

Walter Kidde Division
Walter Kidde Drive
P.O. Box 1147
Wake Forest, North Carolina 27587
(919) 556-6811

The Walter Kidde Company Limited
Belvue Road, Northolt
Middlesex, UB5 5QW England
Northolt, England
01-845-7711

Walter Kidde G.m.b.H.
P.O. Box 1909/1929
Luner Rennbahn 2
2120 Luneburg, Germany
04131 188014-16

Kidde Consumer Durables Corp.
2 Bala Cynwyd Plaza
333 East City Line Avenue
P.O. Box 804
Bala Cynwyd, Pennsylvania 19004
(215) 668-2227

Kidde Consumer Durables Corp.
World Finance Center
19 Canton Road
Suite 1303-1309, North Tower
Kowloon, Hong Kong
5-8911151

LeFebure Corporation
308 29th Street, N.E.
Cedar Rapids, Iowa 52402
(319) 366-2771

McKinney Manufacturing Company
820 Davis Street
P.O. Box 5999
Scranton, Pennsylvaiaa 18505
(717) 346-7551

New Jersey Office Supply Division
35 Melanie Lane
Whippany, New Jersey 07981
(201) 386-8900

Douglas Randall Division
6 Pawcatuck Avenue
Pawcatuck, Connecticut 02891
(203) 599-1075

Sargent & Company
100 Sargent Drive
New Haven, Connecticut 06535
(203) 562-2151

Tucker Housewares
345 Central Street
Leominster, Massachusetts 01453
(617) 537-1621

Weber Aircraft Division
2820 Ontario Street
Burbank, California 91510
(213) 849-1181

Svenska Skumslacknings Aktiebolaget
Box 32
Byggmastaregatan 1
S-44201 Kungalv, 1 Sweden
0303/150 70

Adams Plastics
Grandview Avenue (Between Lafayette and Taylor)
P.O. Box 25
Bellevue, Kentucky 41073
(606) 431-3800

AMS Industries, Inc.
5 Barbara Lane
P.O. Box 370 - West Side Station
Worcester, Massachusettts 01602
(617) 752-7074

Apple, David, Office Equipment &
Stationery Co., Inc.
223 Ellison Street
Paterson, New Jersey 07505
(201) 278-3317

Architectural Area Lighting
13901-B South Carmenita Road
Santa Fe Springs, California 90670
(213) 921-7766

Artesanias Baja, S.A.
(Office and Plant)
Blvd. Alivio Norte No. 25
Cd. Industrial Nueva Tijuana
Tijuana, Baja California, Mexico
(706) 682-0661

(Mailing Address)
P.O. Box 4418
Chula Vista, California 92011-0340

Associated Environmental Systems Division
10 Industrial Way
P.O. Box 648
Amesbury, Massachusetts 01913-4848
(617) 388-5662

Associated Testing Laboratories, Inc.
53 Second Avenue
Burlington, Massachusetts 01803
(617) 272-9050

Bayless Stationers, Inc.
301 North Oak Street
Inglewood, CA 90302
(213) 671-2100

Bear Archery
Rural Route 4
4600 Southwest 41st Boulevard
Gainesville, Florida 32601
(904) 376-2327

Bucka, Spiero Comercio
Industria e Importacao Ltda
Walter Kidde S.A.
Industria e Comeicio
2148 Av. Santa Marina
Caixa Postal 3322
P.O. Box 3322
Sao Paulo, Sao Paulo, Brazil
266-0322, 266-6360

Burke, E.J., Security Systems, Inc.
2503 Lombard Street
Philadelphia, Pennsylvania 19146
(215) 545-8226

Business Products, Inc.
160 Avon Street
Stratford, Connecticut 06901
(203) 377-1776

Byron, W.D., & Sons, Inc.
Williamsport, Maryland 21795
(301) 223-7500

Computrol Corporation
15 Ethan Allen Highway
Ridgefield, Connecticut 06877-6297
(203) 544-9371

Consulta-Search
2503 Lombard Street
Philadelphia, Pennsylvania 19146
(215) 546-6900

Continental Office Supply, Inc.
13830 Harry Hines Blvd.
Dallas, Texas 75234
(214) 247-9668

Curries Manufacturing Co.
905 South Carolina
P.O. Box 1648
Mason City, Iowa 50401
(515) 423-1334

De Boer's Fabrieken B.V.
Cruquiusweg 118
1019 AK Amsterdam, Netherlands
P.O. Box 4105
1009 AC Amsterdam, Netherlands
020-654001

Devine Lighting, Inc.
4645 East 11th Street
Kansas City, Missouri 64127
(816) 241-9440

Douglas Randall Division
6 Pawcatuck Avenue
Pawcatuck, Connecticut 02891
(203) 599-2075

Dresher Brothers
101 Hudson Street
Hackensack, New Jersey 07601
(201) 489-9133

Dura Steel/P & G Products Co.
13901 S. Carmenita Road
Santa Fe Springs, California 90670
(213) 773-0141

(Mailing Address)
Box 54175
Los Angeles, California 90051

EAM, Inc
Route 113
Skippack, Pensylvania 19474
(215) 584-4284

Fashion, Inc
15450 West 108th Street
Lenexa, Kansas 66219
(913) 888-8111

Fenwal Electronics Division
63 Fountain Street
Framingham, Massachusetts 01701
(617) 872-8841

Fire Control Instruments, Inc
269 Grove Street
Newton, Massachusetts 02166
(617) 965-2010

Fowler & Williams
1300 Meylert Avenue
Scranton, Pennsylvania 18509
(717) 344-8693

Fukada-Kidde Company, Ltd
No. 1-5, 3-Chome Mita
Minato-Ku, Tokyo, 108 Japan
(03) 451-5451

Gesellschaft fur Geratebau mbH
Hannoversche Strase 72
4600 Dortmund-1
Dortmund, Germany
West Germany
(49-231) 594066, -67, -68

GFG Gas Electronics
(Mailing Address)
P.O. Box 1078
Coraopolis, Pennsylvania 15108-6078

(Visiting Address)
600 N. Bell Avenue S-210
Carnegie, Pennsylvania 15106
(412) 269-9200

Halkey-Roberts Europe
181 Tarring Road
Worthing, West Susex, England BN11 4HL
Worthing, England
(0903) 37216

Indalux
1736 Dreman Avenue
Cincinnati, Ohio 45223
(513) 541-3486

Integralite Division
750 Almeda-Genoa Road
Houston, Texas 77045

P.O. Box 45919
Houston, Texas 77245
(713) 433-4511

Inter-Globe Security Services Ltd.
8-10 Minerva Road
Park Royal
London, N.W. 10 6HJ
London, England
011-44-1-965-9741 (direct dial)

Interworld Enterprises Ltd
17 Hsin Hsin Street
Shulin, Taipei, Taiwan
(02) 681-0505

Isles Industries, Inc
576 Explorer Street
Brea, California 92621
(714) 529-2126

Jacuzzi Bros. Division
12401 Interstate 30
P.O. Box 8903
Little Rock Arkansas 72219-8903
(501) 455-1234

Jacuzzi Canada Ltd
330 Humberline Drive
Rexdale, Ontario, Canada M9W 1R5
(416) 675-3333

Jacuzzi (Chile) S.A
Camino Melipilla 6843
P.O. Box 46 Cerrillos
Cerrillos, Santiago, Chile
57-5408

Jacuzzi Do Brasil
Caixa Postal, 285
Rodivia SP-79 - Km. 53.5
Itu, Sao Paulo, Brazil 13300
(011) 409-1711

Jacuzzi Europe S.P.A
S.S. Pontebbana Km. 97.200
33098 Valvasone (PN) Italia
Pordenone, Italy
(434) 85141

Jacuzzi Universal, S.a
Km. 339-Carretera
Monterrey-Saltillo
Municipio de Santa Catarlina
Monterrey, N.L. Mexico
46-3000

(Mailing Address)
Apartado Postal 1537
Monterrey, N.L. Mexico

Jacuzzi Whirlpool Bath
298 N. Wiget Lane
Walnut Creek, California 94598

P.O. Drawer J
Walnut Creek, California 94596
(415) 938-7070

The Jade Corporation
3063 Philmont Avenue
Huntingdon Valley, Pennsylvania 29006
(215) 947-333

Jade Systems
1120 Industrial Highway
Southampton, Pennsylvania 18966
(215) 322-9020

Jet-Phillips, Inc
750 Almeda-Genoa Road
Houston, Texas 77045
(713) 433-4511

P.O. Box 45919
Houston, Texas 77245

JPL Lighting Division
750 Almeda-Genoa Road
Houston, Texas 77045
(713-4511

P.O. Box 45919
Houston, Texas 77245

Jobs (Temporaries)
2424 Washington Street
P.O. Box 8737
Waukegan, Illinois 60085
(312) 336-0164

JW Lighting, Inc
750 Almeda-Genoa Road
Houston, Texas 77045
(713) 433-4511

P.O. Box 45919
Houston, Texas 77245

Kent
Grandview Avenue (Between Lafayette and Taylor)
P.O. Box 25
Bellevue, Kentucky 41073
(606) 431-3800

Keystone Lamp Mfg. Corp
R.D. 4
Slatington, Pennsylvania 18080
(215) 767-3821

Kic Ltd
Belverdere Building
P.O. Box 509
Hamilton 5, Bermuda
(809) 292-6667

Kidde Business Services, Inc
200 North Skokie Boulevard
Northbrook, Illinois 60062
(312) 291-4600

Kidde Canada Limited
500 Beech Street
Box 420
Whitby, Ontario, Canada L1N 5S5
(416) 668-3324

No. 2 Fu Hsing North Road
5F-6
Taipei, Taiwan, Republic of China
(02) 7717083-5

Kidde Credit Corporation
30 Washington Center
Hagerstown, Maryland 21740
(301) 791-7600

Kidde, Walter, Sales & Service Company
736 Fairfield Avenue
Kenilworth, New Jersey 07033
(201) 241-2950

Kidde, Walter, S.A. Industria E. Comercio
2148 Av. Santa Marina
Caixa Postal 3322
P.O. Box 3322
Sao Paulo, Sao Paulo, Brazil 02732
266-0322, 266-6360

Kim Lighting, Inc
16555 East Gale Avenue
P.O. Box 1275
City of Industry, California 91749-1275
(818) 968-5666

Kraftbilt
7659 East 46th Place
Tulsa, Oklahoma 74145
(918) 626-1260

P.O. Box 800
Tulsa, Oklahoma 74101

Light Systems
11600 Ninth Street North
St. Petersburg, Florida 33702-1098
(813) 577-1300

Marvin Electric Manufacturing Company
6100 S. Wilmington Avenue
Los Angeles, California 90001
(213) 583-6551

Kidde Fire Protection Systems, Inc
10649 Haddington Drive - Suite 160
Houston, Texas 77043
(713) 827-9151

Kidde France
Zon Industrielle
Migennes 84900, France
(86) 80 15 89

Kidde General Fire Limited
St. Florian House, Milton Road
Wokingham, Berkshire RG11 1DB, England
(0734) 790707

Kidde, Inc
Park 80 West - Plaza Two
Box 555
Saddle Brook, New Jersey 07662
(201) 368-9000

Kidde Recreation Products Group
500 North Skokie Boulevard
Northbrook, Illinois 60067
(312) 291-4600

Kidde Recreation Products (Canada)
543 Conestoga Blvd
Cambridge, Ontario, Canada N1R 6T4
(519) 623-9680

Kidde Systems, Inc
1010 Cromwell Bridge Road
Baltimore, Maryland 21204
(301) 296-2796

Kidde, Walter, De Mexico, S.A. DE C.V.
Geranio #336, Esq. Tilos
06430 Mexico D.F., Mexico
(905) 583-33-22

McQuiddy Office Designers
110 7th Avenue North
Nashville, Tennessee 37202
(615) 256-5643

Merit Protective Service, Inc.
600 Wyndhurst Avenue - Suite 204
Baltimore, Maryland 21210
(301) 433-5500

Mobilite, Inc.
100 Engineers Road
Hauppage, New York 11788
(516) 234-8900

Newport Plastics Corporation
Derby Road
P.O. Box 466
Newport, Vermont 05855
(802) 334-7941

Nissen Corporation
930 27th Avenue, S.W.
Cedar Rapids, Iowa 52406
(319) 365-7561

Nurses Central Registry
2536 East Indian School Road
Phoenix, Arizona 85016
(602) 957-9031

Personal Care and Companion Service
2530 East Indian School Road
Phoenix, Arizona 85016
(602) 957-9031

PGA Golf
8350 N. Lehigh Avenue
Morton Grove, Illinois 60053
(312) 966-6300

Piedmont Moulding Corporation
2203 Industrial Boulevard
P.O. Box 117
Conyers, Georgia 30207
(404) 483-7203

Professional Nurses Bureau
500 N. Skokie Blvd.
Northbrook, Illinois 60062
(312) 291-4600

Progress Lighting
G Street and Erie Avenue
Philadelphia, Pennsylvania 19134
(215) 289-1200

Rexair, Inc.
900 Tower Drive - Suite 700
Troy, Michigan 48098
(313) 879-2600

Richards Manufacturing Company
4505 Bandini Boulevard
Los Angeles, California 90040
(213) 263-9510

Ross-Martin
6504 East 44th Street
Tulsa, Oklahoma 74145
(918) 627-4460

Sargent (Canada)
900 Water Street
P.O. Box 328
Peterborough, Ontario, Canada K9J 6Z3
(705) 742-3894

Scott Rice
3717 South Sheridan
Tulsa, Oklahoma 74145
(918) 628-1400

Shadeco, Inc.
4202 Old Bethlehem Pike
Hilltown Industrial Park - Bldg. 2
Telford, Pennsylvania 18969
(215) 723-6606

Sidro Security Products
102 Sargent Drive
New Haven, Connecticut 06535
(203) 785-1092
P.O. Box 9725
New Haven, Connecticut 06536

Spartus Corporation
3856 Oakton Street
Skokie, Illinois 60076
(312) 676-5600
P.O. Box 1200
Skokie, Illinois 60076

Spartus (HK) Limited
World Finance Centre
19 Canton Road
Kowloon, Hong Kong
3-7227081-4

Spaulding, J.H., Company
1736 Dreman Avenue
Cincinnati, Ohio 45223
(513) 541-3486

Stewarts Office Supplies
120 Express Street
Plainview, New York 11803
(212) 347-0688
(516) 822-1470

Survival Technologies Group
11600 Ninth Street North
St. Petersburg, Florida 33702-1098
(813) 577-1300

Sunset Lamp Corporation
6000 East Slauson Avenue
City of Commerce, California 90040
(213) 726-6959

Svansake Skum B.V.
Burg. Hogguerstraat 787
1064 EB Amsterdam, Netherlands
Mailing Address: Postbus 8236
1005 AE Amsterdam, Netherlands
020-148944

Tose-Fowler, Inc.
1300 Meylert Avenue
Scranton, Pennsylvania 18509
(717) 344-8693

Treher-Montague, Inc.
10th and Northampton Streets
Easton, Pennsylvania 18042
(215) 253-6151

Universal Gym Equipment, Inc.
930 27th Avenue S.W.
P.O. Box 1270
Cedar Rapids, Iowa 52406
(319) 365-7561

The Valley Company
333 Morton Street
P.O. Box 656
Bay City, Michigan 48707
(517) 892-4536

Victor Temporary Services (U.S.)
500 N. Skokie Boulevard, Suite 300
Northbrook, Illinois 60062
(312) 291-4600

Victor Temporary Services (Canada)
10180 - 102nd Street, Suite 605
Edmonton, Alberta T5J OW5, Canada
(403) 423-2381

Vigon Lighting, Inc.
201 W. Carob Street
Compton, California 90220
(213) 631-6135

Weber Technical Products
10 Industrial Way
P.O. Box 648
Amesbury, Massachusetts 01913-4848
(617) 388-5662

Whiteway-Spaulding-Indalux
1736 Dreman Avenue
Cincinnati, Ohio 45223
(513) 541-3486

Wright Light Division
750 Almeda-Genoa Road
Houston, Texas 77045
(713) 433-4511
P.O. Box 45919
Houston, Texas 77245

Nissen International (Sports Equipment) Ltd.
Tallon Road
Brentwood
Essex CM13 1TT, England
Brentwood 221 122 (STD 0277)

Nissen Trampoline AG
CH 3073
Gumligen, Switzerland
031-52 34 74

Acquisition(s):

Curries Manufacturing Company
Mason City, Iowa
Manufactures metal doors and other architectural products

Transfer Agent(s):

Chemical Bank
Corporate Trust Dept.
P.O. Box 2861
Church Street Station
New York, New York 10008

Midlantic National Bank
P.O. Box 600
Edison, New Jersey 08818

Stock Exchange(s): New York, Boston, Pacific

Ticker Symbol: KDE

Sales and Earnings

	Net Sales ‡	Net Income
1984	$2,312,237,000	$ 79,138,000
1983	2,052,480,000	(123,799,000)
1982	2,089,100,000	84,210,000
1981	2,216,300,000	99,213,000
1980	2,085,300,000	87,387,000

	No. of Com. Shares †	Earn. per Share +
1984	20,513,530	$ 3.75
1983	20,118,302	
1982	19,971,548	4.02
1981	19,427,620	4.87
1980	19,046,754	4.30

‡ Includes other revenues; of continuing operations only
† Adjusted to reflect stock split
+ Based on the average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business
(000's)

	1984	1983
Industrial & commercial:		
Transportation & other equip.	$ 405,663	$ 351,417
Business & commercial prods. & services	339,375	263,181
Safety, security & protection:		
Fire protection equip.	320,663	318,874
Security equip. & services	344,141	304,108
Consumer & recreation:		
Lighting prods. & housewares	446,531	389,450
Sports & leisure prods.	455,864	425,450
Total	$ 2,312,237	$ 2,052,480

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.1625	—	—
1983	1.1125	—	—
1982	1.10	—	—
1981	1.025	—	2-for-1
1980	0.925	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 610,738,000	$ 29.73
1983	553,519,000	27.46
1982	701,648,000	35.05
1981	637,402,000	32.70
1980	558,869,000	29.21

‡ After allowing for Series B and Series C preference stock at liquidating values of $90 per share

Income Account *
(000's)

Year ended Dec 31	1984	1983
Net sales	$ 2,312,237	$ 2,052,480
Cost of sales	1,702,512	1,501,410
Expenses	420,412	393,867
Interest expense	45,929	36,730
Other expense (income)	4,553	(4,701)
Income before taxes	$ 138,831	$ 125,174
Income taxes	59,693	52,573
Inc -cont oper	$ 79,138	$ 72,601
Loss - discont oper	—	(196,400)
Net Income (Loss)	$ 79,138	$ (123,799)

* Included in Costs and Expenses, Depreciation and Amortization $49,174,000 in 1984 and $44,156,000 in 1983

Assets
(000's)

As of Dec 31	1984	1983
Cash & temp invest	$ 33,999	$ 29,098
Accts receiv , net	352,076	343,157
*Inventories	496,530	440,891
Assets of discont oper	183,714	266,945
Prepaid expenses	33,489	28,096
Current Assets	$ 1,099,808	$ 1,108,187
Investments	30,119	30,918
#Fixed assets	324,137	292,552
Other assets	67,824	49,049
Intangibles	93,115	86,102
Assets of discont oper	62,744	119,288
Total Assets	$ 1,677,747	$ 1,686,096

Liabilities
(000's)

	1984	1983
Notes payable	$ 117,124	$ 127,171
Long-term debt, curr	19,592	12,424
Accts payable	167,294	170,737
Accruals	154,694	170,980
Income taxes	11,668	24,174
Curr Liabilities	$ 470,372	$ 505,486
Long-term debt	460,880	471,629
Capitalized leases	23,968	22,750
Deferred taxes & credit	62,839	73,357
+ Preferred stock with mand redemp	6,879	9,812
+ Preferred stock	467	551
+ + Common stock	25,642	25,148
Add paid-in capital	200,654	197,899
Retained earnings	426,046	379,464
Total Liabilities & Shareholders' Equity	$ 1,677,747	$ 1,686,096

* At lower of cost or market. Domestic inventories primarily at LIFO; remainder at FIFO

# Less accumulated depreciation and amortization

+ $1 par value; convertible cumulative

+ + $1.25 par value.

Statistical Summary

%Income bef Taxes to Sales	6.00	—
%Net Income to Sales	3.42	—
%Net Income to Equity	12.12	—
Sales to Inventories	4.66	4.66
Working Capital	$629,436,000	$602,701,000
Current Ratio	2.34	2.19
Shareholders' Equity	$652,809,000	$603,062,000

Knogo Corporation

100 Tec Street
Hicksville, New York 11801
(516) 822-4200

Officers: Arthur J Minasy, president; Michael J Perlmuth, sr v p -marketing; James R Dellomo, v p -finance, secretary & treasurer; Michael Cooper, v p -engineering; Michael Trentacosti, v p -operations; Fred Cicchetti, v p -Peter J Mundy, controller; Karen Hatgis, asst secretary

Directors: Arthur J Minasy, James R Dellomo, Michael J Perlmuth, Andre Mechelynck, Nicholas Nabokoff, William A Perlmuth, James Taylor

Areas of Work: Engaged in the design, manufacture, marketing and service of electronic article surveillance systems primarily use to detect and deter shoplifting

The RF system, using radio signals, is primarily used in retail clothing stores. The EM system, using electromagnetic signals protects products in a variety of retail establishments, such as bookstores, supermarkets, drugstores, shoe stores and sporting goods stores, is used in museums, libraries and hospitals.

Subsidiaries:

Knogo International Limited (DISC)
100 Tech Street
Hicksville, New York 11801

Knogo S A
Route de Wallonie
B-7420 Baudour (Mons)
Belgium

Knogo France S A
5 Rue Faustin Helie
75016 Paris
France

Knogo Scandinavia AB
Larsbergstorget 4
181 38 Lidingoe, Sweden

Knogo Italia Srl
Piazzale Aquileia 6
20144 Milano
Italy

Knogo Deutschland GmbH
Rheinallee 109
6500 Mainz
West Germany

Knogo U K

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: KNO

Number of Employees:

1984	392	1981	379
1983	372	1982	350
1982	352		

Plant Footage:

1984	44,500 sq. ft.	1981	70,000
1983	44,500	1980	70,000
1982	44,500		

Sales and Earnings

	Revenues *	Net Income	No of Com Shares +	Earn per Share #
1984	$ 26,017,100	$ 3,311,100	5,012,714	$ 0.68
1983	21,935,300	1,376,900	4,264,814	0.32
1982	11,796,200	(1,854,000)	4,248,214	—
1981	13,681,700	(1,486,400)	3,977,514	—
1980	16,309,100	2,949,500	3,845,914	0.73

(Loss)

* Includes lease rentals and other income

+ Adjusted to reflect stock split

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 32,841,000	$ 6.55
1983	20,066,000	4.71
1982	18,340,000	4.32
1981	19,216,300	4.83
1980	19,332,400	5.03

† Adjusted to reflect stock split

Income Account

Year ended Feb 28	1984	1983
Net sales & rentals	$ 20,315,000	$ 16,925,600
Other income	5,702,100	5,009,700
Total Income	$ 26,017,100	$ 21,935,300
Cost of sales	7,559,200	6,643,700
Expenses	11,169,500	9,336,300
Depreciation & amortization	1,815,800	2,355,000
Interest expense	723,400	1,597,400
For curr trans	(220,100)	(216,400)
Inc bef taxes	$ 4,969,300	$ 2,219,300
Income taxes	1,658,200	842,400
Net Income	$ 3,311,100	$ 1,376,900

Assets

As of Feb 28	1984	1983
Cash	$ 33,903,900	$ 1,965,500
Accts receiv , net	11,082,900	8,340,300
*Security devices	14,057,000	14,520,200
Other assests	2,211,100	1,917,000
Investments in sales-type leases	7,867,900	5,194,000
#Fixed assets	2,319,400	3,291,700
Intangibles	1,151,800	1,085,700
Defer charges	4,043,600	2,350,500
Total Assets	$ 76,637,600	$ 38,664,900

Liabilities

	1984	1983
Notes payable	$ 3,524,300	$ 13,574,300
Accts payable	1,718,300	1,400,300
Accruals	2,003,300	1,456,500
Income taxes	341,700	298,000
Deferred lease rentals	822,800	848,500
Deferred inc taxes	1,712,700	1,021,000
Subordinated bonds	33,673,500	—
+ Common stock	50,100	42,700
Add paid-in capital	28,906,300	15,801,000
Retained earnings	8,301,100	4,990,000
Unamort deferred comp	(463,600)	(767,400)
Foreign curr trans adj	(3,952,900)	—
Total Liabilities & Shareholders' Equity	$ 76,637,600	$ 38,664,900

* At cost (FIFO) which is not in excess of replacement value.

# Less accumulated depreciation

+ $0.01 par value

Statistical Summary

%Income bef. Taxes to Revenues	24.46	13.11
%Net Income to Revenues	16.30	8.14
%Net Income to Equity	10.08	6.86
Shareholders' Equity	$32,841,00^	$20,066,300

Kollmorgen Corporation

Administrative Center:
60 Washington Street
Hartford, Connecticut 06106
(203) 547-0600

Management Center:
66 Gate House Road
Stamford, Connecticut 06902
(203) 327-7222

Officers: Robert L. Swiggett, chairman of the board James E. Swiggett, president & chief executive officer; George P. Stephen, vice-chairman; James K. Branch, president-Photo Research Division; James K. Davidson, president-Macbeth Division; R. Page Burr, sr. scientific officer; John Calpena, president-PMI Motors Division; Allan M. Doyle, Jr., vice chairman & chief financial officer; Karl A. Egerer, president-Kollmorgen Technologies Corporation; John Endee, president-Photocircuits Division; Edwin M. Felske, v.p.-finance; Donald S. Fischer, v.p. & president-Multiwire Division; W.W. Griggs, president-Industrial Drives Division; John L. Helm, president-Proto-Power Corporation; Nick Hodgers, managing director-Inland Division, Kollmorgen (Ireland) Limited; Joseph R. Hoyt, president-Inland Motor Division; Brian T. Patterson, president-Additive Products Division; Robert G. Saner, dir.-govt. relations; William P. Sharpe, president-Questec Enterprises; George P. Stephan, exec. v.p.; James E. Swiggett, vice chairman; Pierre Tardieu, president-Artus, S.A.; James P. Thompson, treasurer; Herbert E. Torberg, sr. scientific officer; Albert J. Benoit, president, Macbeth Process Measurements Division; S. Erek Jenstad, president, Crystal Specialties, Inc.; Walter J. Rizzi, president, Electronic Equipment Division; Thomas J. Sarnowski, president, PCK Technology Division; John L. Youngblood, president, Electro-Optical Division; Jack R. Walnes, v.p. & chairman-Industrial Drives Division; Robert N. Williams, v.p. & chairman-Inland Motor Specialty Products Division; Robert J. Bollo, controller & chief accounting officer; James A. Eder, secretary; Donald Borod, gen. counsel.

Directors: Robert W. Bjork, W.D. Dance, Allan M. Doyle, Jr.*, Townsend Hornor, John D. Maxwell, A.J. Powers, Jr., John A. Diaz, Richard Rachals, Robert L. Swiggett*, Kenneth G. Fisher, George P. Stephan*, James E. Swiggett*

* Member of the Executive Committee

Areas of Work: Engaged in the development, manufacture and marketing of electronic interconnection boards, special direct current motor and control systems, color and photometry systems and equipment, and electro-optical systems.

Divisions and Subsidiaries:

Additive Products Division
Riverhead, New York

Electronic Equipment Division
Melville, New York

Electro-Optical Division
347 King Street
Northampton, Massachusetts 01060
(413) 586-2330

Industrial Drives Division
201 Rock Road
Radford, Virginia 24141
(703) 639-2495

Inland Motors Specialty Products Division
501 First Street
Radford, Virginia 24141
(703) 639-3973

Photocircuits Division
31 Sea Cliff Avenue
Glen Cove, New York 11542
(516) 448-1000

Macbeth Process Measurements Division

Macbeth Division
P.O. Box 950
Newburgh, New York 12550
(914) 561-7300

PMI Motors Division
5 Aerial Way
Syosset, New York 11791
(516) 938-8000

Multiwire Division
Andrews Road
Hicksville, New York 11801
(516) 938-2000

PCK Technology Division
322 LIE South Service Road
Melville, New York 11747
(516) 454-4400

Photo Research Division
3000 North Hollywood Way
Burbank, California 91502
(213) 843-6100

Questec Enterprises Division
Huntington, New York

IMD Properties Inc.
Wilmington, Delaware

Crystal Specialties, Inc.
Portland, Oregon

Kollmorgen Technologies Corporation
Dallas, Texas

Kollmorgen International Sales Corporation
Wilmington, Delaware

Kollmorgen Overseas Development Corporation
Wilmington, Delaware

Photocircuits Atlanta, Inc.
Peachtree City, Georgia

Societe Anonyme Artus
Angers, France

Kollmorgen A.G.
Zug, Switzerland

Kollmorgen (U.K.) Ltd.
Sale, England

Kollmorgen (Ireland) Limited
Ennis, Ireland

Kollmorgen International Finance N.V.
Curacao, Netherlands Antilles

Kollmorgen Foreign Sales Corporation
St. Thomas, Virgin Islands

Proto-Power Corporation
Groton, Connecticut

31 Sea Cliff Avenue Corporation
Glen Cove, New York

West Lane Properties, Inc.
Riverhead, New York

PCK Elastomerics, Inc.
Hatboro, Pennsylvania

Transfer Agent(s):

The First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: KOL

Number of Employees:

1984	5,400	1981	4,500
1983	4,900	1980	4,000
1982	4,500		

Plant Footage:

1984	1,300,000 sq. ft.	1981	1,100,000
1983	1,300,000	1980	900,000
1982	1,200,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 326,200,000	$ 10,756,000
1983	260,670,000	8,891,000
1982	242,935,000	9,749,000
1981	224,090,000	11,334,000
1980	191,249,000	10,242,000

	No. of Com. Shares #	Earn. per Share †
1984	10,067,512	$ 1.08
1983	9,950,350	0.91
1982	9,503,598	1.06
1981	9,115,496	1.30
1980	8,587,278	1.23

Based on the average number of shares outstanding adjusted to reflect stock dividend.

† Based on the weighted average number of common stock and common stock equivalents outstanding adjusted to reflect stock dividend.

Revenues By Line of Business
(000's)

	1984	1983
Electronic interconnections	$ 158,032	$ 108,895
Motors & controls	98,060	82,012
Electro-optical instruments	70,108	69,763
Total	$ 326,200	$ 260,670

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.32	—	—
1982	0.32	—	—
1981	0.32	—	—
1980	0.27	50%	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 106,153,000	$ 10.71
1983	97,243,000	10.13
1982	90,487,000	9.64
1981	69,978,000	8.20
1980	53,576,000	6.62

# Adjusted to reflect stock dividend.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 326,200	$ 260,670
Cost of sales	218,882	181,602
Expenses	86,942	62,705
Other expenses	3,737	2,926
Income before taxes	$ 16,639	$ 13,437
Income taxes	5,883	4,546
Net Income	$ 10,756	$ 8,891

* Included in Costs and Expenses, Depreciation and Amortization: $12,814,000 in 1984 and $10,615,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 31,838	$ 6,339
Receiv., net	60,272	48,845

Receiv. on contracts	8,872	11,355
*Inventories	40,883	37,092
Prepaid expenses	1,376	1,232
Current Assets	$ 143,241	$ 104,863
#Fixed assets	84,909	71,536
Other assets & intangibles	11,295	5,302
Total Assets	$ 239,445	$ 181,701

Liabilities
(000's)

Notes payable	$ 2,042	$ 5,062
Long-term debt, curr.	2,190	2,104
Accts. payable	21,859	19,288
Accruals	22,365	16,193
Income taxes	—	2,256
Deferred taxes	1,920	1,341
Curr. Liabilities	$ 50,376	$ 46,244
Long-term debt	69,556	29,601
Deferred credits	1,024	724
Deferred inc. taxes	12,336	7,889
+ Common stock	24,777	24,005
Add. paid-in capital	23,661	22,612
Retained earnings	60,805	53,170
For. curr. trans. adj.	(3,090)	(2,544)
Total Liabilities & Shareholders' Equity	$ 239,445	$ 181,701

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.10	5.15
%Net Income to Sales	3.30	3.41
%Net Income to Equity	10.13	9.14
Sales to Inventories	7.98	7.03
Working Capital	$ 92,865,000	$58,619,000
Current Ratio	2.84	2.27
Shareholders' Equity	$106,153,000	$97,243,000

Koss Corporation

4129 N. Port Washington Avenue
Milwaukee, Wisconsin 53212
(414) 964-5000

Officers: John C. Koss, chairman of the board, president & chief executive officer. Paal Myklebust, v.p.-engineering; Thomas J. Shively v.p.-finance & administration; Dennis P. Wherry, v.p. & secretary; Robert C. Bukowsky, sr. v.p.-sales; Michael J. Koss, v.p.-marketing; Michael F. Moore, asst. secretary & corporate legal counsel.

Directors: John C. Koss, chairman; Charles P. Steuber, Lawrence S. Mattson, David B. Stevens, John H. Franz, Brooks S. Stevens, Jerome E. Vielehr, Anthony J. Amendola.

Areas of Work: Manufactures consumer electronics products in three segments-audio/video accessories, audio components, and portable personal listening products.

Subsidiaries:

Koss GmbH
6 Frankfurt/Main
Heddernheimer Landstrasse 155
West Germany

Koss S.a.r.l.
12 Rue du Puits Dixme
Orly Senia 525
94577 Rungis, France

Koss Limited
4112-4114 South Service Road
Burlington, Ontario, Canada

Koss B.V.
Corke-Abbey
Bray
County Dublin, Ireland

Koss U.K. Limited
114 Ashley Road
St. Albans, Hertfordshire, AL15JR
England

Calibron Corporation
600 Lake Emma Road
Lake Mary, Florida 32746

Transfer Agent(s):

First Wisconsin Trust Company
First Wisconsin Centre
Milwaukee, Wisconsin 53208

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KOSS (NASDAQ)

Sales and Earnings

	Net Sales	Net Income †
1984	$ 20,272,689	$ (5,945,291)
1983	21,594,638	(49,095)
1982	23,919,423	1,708,039
1981	25,211,788	2,310,041
1980	22,317,721	1,748,102

	No. of Com. Shares ‡	Earn. per Share † ‡
1984	3,498,601	$ —
1983	3,803,146	—
1982	3,967,580	0.43
1981	3,604,805	0.64
1980	3,749,592	0.47

(Loss)
† Including extraordinary gain of $86,000 ($0.05 per share) in 1980.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.16	—	—
1982	0.16	—	3-for-2
1981	0.12	5%	—
1980	0.11	—	—

‡ Adjusted to reflect stock dividend and stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 4,239,430	$ 1.21
1983	11,731,943	3.08
1982	12,829,696	3.23
1981	10,847,609	3.01
1980	8,799,475	2.35

‡ Based on the weighted number of common shares and common equivalent shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 20,272,689	$ 21,594,638
Cost of sales	16,070,599	12,909,763
Expenses	9,494,877	8,101,260
Interest expense	1,542,766	1,056,715
Loss before taxes	$ (6,835,553)	$ (473,100)
Tax credit	(890,262)	(424,005)
Net Loss	$ (5,945,291)	$ (49,095)

* Included in Costs and Expenses, Depreciation and Amortization: $964,061 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 297,964	$ 667,237
Accts. receiv., net	4,471,086	6,040,129
*Inventories	9,435,800	10,387,550
Prepaid expenses	321,403	669,180
Income tax benefits	231,000	505,790
Current Assets	$ 14,757,253	$ 18,269,886
#Fixed assets	5,610,514	5,950,988
Other assets	1,311,768	1,419,735
Total Assets	$ 21,679,535	$ 25,640,609

Liabilities

Notes payable & long-term debt, curr.	$ 5,473,528	$ 6,307,114
Accts. payable	1,673,203	1,516,583
Accruals	1,265,291	899,411
Income taxes	118,890	—
Curr. Liabilities	$ 8,530,912	$ 8,723,108
Long-term debt	8,909,193	4,877,664
Deferred inc. taxes	—	307,894
+ Common stock	38,193	38,193
Add. paid-in capital	1,241,012	2,397,142
Cum. trans. adjust.	(57,572)	(598,019)
Retained earnings	4,842,627	10,932,272
Treasury stock	(1,824,830)	(1,037,645)
Total Liabilities & Shareholders' Equity	$ 21,679,535	$ 25,640,609

* At lower of cost or market. Domestic inventories at LIFO, foreign at FIFO.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

Sales to Inventories	2.15	2.08
Working Capital	$6,226,341	$ 9,546,778
Current Ratio	1.73	2.09
Shareholders' Equity	$4,239,430	$11,731,943

KRATOS Inc.

3333 North Torrey Pines Court
La Jolla, California 92037 Suite 200
(619) 455-9020

Officers: George S. Fenn, chairman of the board & chief executive officer; Harry E. Schawecker, president & chief operating officer; John D. Waldron, sr. v.p. & group executive; Donald L. Coleman, v.p., general counsel & secretary; Donald F. Bergenty, Malcolm R. Kahn, Roger L. Speare, H.W. Turney, George S. Volpe, vice presidents.

Directors: James M. Burns, Richard A. Foster, William D. McElroy, John D. Waldron, Gary D. Wrench, John P. Miller, George S. Fenn, Bruce Juell.

Areas of Work: Designs, manufactures and markets analytical, aviation, surveying and optical alignment instruments and industrial metrology systems as well as engineering documentation products used to originate, reproduce, store and retrieve engineering and graphic data. Products include precision drafting equipment and supplies, diazo and photographic imaging products, microfilm equipment and supplies, precision surveying and photogrammetric equipment and accessories, and analytical instruments such as mass spectrometers, surface analysis and optical detectors, aviation instruments and computer display monitors.

Divisions and Subsidiaries:

Arlington Lithographic Product.
Arlington, Virginia

Granby Coating
Granby, Quebec, Canada

Analytical Instruments
Ramsey, New Jersey
Manchester, England

Aviation Products
Pasadena, California

Kargl Instruments
San Antonio, Texas

KRATOS Inc.

Kilborn Products
Cedar Rapids, Iowa

LSE Operations
Tullahoma, Tennessee

Pasadena Coating
Pasadena, California

Redon Coating
Rockaway, New Jersey

Salisbury Products
Lakeville, Connecticut

Special Instruments Manufacturing Center
Teterboro, New Jersey

Taconic Products
Millerton, New York

York Products
Kennebunk, Maine

Keuffel & Esser International S.A./N.V.
Fleurus, Belgium

Acquisition(s):

Keuffel & Esser Company
Morristown, New Jersey
Instrumentation and engineering documentation products

Transfer Agent(s):

Union Bank
3810 Wilshire Boulevard
Los Angeles, California 90010

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KTOS (NASDAQ)

Number of Employees:

1983	1,960	1981	2,526
1982	2,526		

Plant Footage:

1983 131,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income
1983	$ 151,066,000	$ (22,842,000)
1982	167,981,000	(4,969,000)
1981	51,098,000	3,127,000
1980	55,804,000	3,196,000
1979	41,753,845	2,562,000

	No. of Com. Shares	Earn. per Share #
1983	2,823,753	$ —
1982	2,823,753	—
1981	2,823,753	1.10
1980	2,779,025	1.33
1979	2,123,688	1.17

(Loss)
Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-2
1979	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share #
1983	$ (2,584,000)	$ —
1982	20,250,000	7.17
1981	27,232,000	9.64
1980	24,759,000	8.91

(Deficiency)
Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 149,662,000	$ 166,078,000
Other Income	1,404,000	1,903,000
Total income	$ 151,066,000	$ 167,981,000
Cost of sales	101,806,000	97,230,000
Expenses	51,737,000	56,411,000
Interest	9,956,000	12,343,000
Non-recurring charges	15,186,000	—
Other expense	77,000	765,000
Loss before taxes	$ (27,696,000)	$ (8,768,000)
Taxes credit	(4,854,000)	(3,799,000)
Net Loss	$ (22,842,000)	$ (4,969,000)

* Included in Costs and Expenses. Depreciation and Amortization: $3,005,000 in 1983 and $2,871,000 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 3,925,000	$ 2,707,000
Accts. receiv., net	28,424,000	29,974,000
*Inventories	34,881,000	50,562,000
Income taxes	3,094,000	4,685,000
Prepaid expenses	1,297,000	1,539,000
Interest receivable	—	113,000
Current Assets	$ 71,621,000	$ 89,580,000
#Fixed assets	23,815,000	29,083,000
Other assets	4,411,000	5,928,000
Total Assets	$ 99,847,000	$ 124,591,000

Liabilities

Long-term debt, curr.	$ 72,753,000	$ 3,138,000
Accts. payable	12,659,000	12,135,000
Accruals	8,500,000	10,290,000
Deposits & unearned inc.	2,610,000	1,203,000
Short-term debt	—	1,016,000
Deferred income taxes	—	1,547,000
Curr. Liabilities	$ 100,855,000	$ 29,329,000
Long-term debt	344,000	73,367,000
Other liabilities	1,232,000	1,645,000
+ Common stock	15,216,000	15,216,000
Add. paid-in capital	72,000	72,000
Retained earnings (deficit)	(15,209,000)	7,633,000
Eq. adjust. from for. curr. trans.	(2,663,000)	(2,671,000)
Total Liabilities & Shareholders' Equity	$ 99,847,000	$ 124,591,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Kulicke and Soffa Industries, Inc.

507 Prudential Road
Horsham, Pennsylvania 19044
(215) 443-5310

Officers: C. Scott Kulicke, chairman & chief exec. officer; Donald Van Luvanee president & chief operating officer; Daniel Vilenski, Dan Kahan, sr. v.p.'s; Martin Weiss, sr. v.p., secretary & treasurer; Manuel M. Bycer, Francis Nguyen, Morton Perchick, Lawrence H. Atkins, Edwin J. Clarke, Gene A. Heiser, Mark W. Klug, v.p.'s.

Directors: C. Scott Kulicke, chairman of the board; Albert Soffa, Frederick W. Kulicke, Jr., Allison F. Page, William Shapiro, Thomas J. Matcovich, Joseph S. Rambo; MacDonell Roehm, Jr.

Areas of Work: Produces semiconductor manufacturing and assembly equipment, ranging from manual to computer controlled fully automatic and wire and die bonders and microtools.

Divisions:

Semiconductor Machinery Division
Automatic Bonder Group
Standard Products Group
Micro-Swiss Group
All at:
Horsham, Pennsylvania

Kulicke and Soffa Industries, Inc.
2210 Martin Avenue
Santa Clara, California 95050

Subsidiaries:

Kulso, Ltd.
Advanced Technology Center
P.O. Box 875
Haifa, 31008 Israel

Kulicke and Soffa, A.G.
Baarerstrasse 8
CH-6300
Zug, Switzerland

Kulicke and Soffa (Asia) Ltd.
9th Floor
Fook Cheung Building
63 Hoi Yuen Road
Kwun Tong, Hong Kong

Kulicke and Soffa, (U.K.) Ltd.
No. 13 New Road
Light Industrial Estate
Newhaven, Sussex, England

Roboniks, Inc.
507 Prudential Road
Horsham, Pennsylvania 19044
(215) 674-2800

Kulicke and Soffa (Japan) Ltd.
No. 5 Koike Bldg., 3rd Floor
1-3-12 Kita-Shiragawa
Shinagawa-Ku
Tokyo 140, Japan

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KLIC (NASDAQ)

Number of Employees:

1984	1,965	1981	1,055
1983	1,363	1980	1,017
1982	1,290		

Plant Footage:

1984	400,000 sq. ft.	1981	144,000
1983	214,000	1980	144,000
1982	144,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 119,641,000	$ 14,123,000
1983	67,314,000	1,656,000
1982	54,159,000	3,462,000
1981	40,037,000	2,454,000
1980	49,780,000	7,959,000

	No. of Com. Shares #	Earn. per Share #
1984	7,381,313	$ 1.9
1983	7,332,909	0.2
1982	7,319,508	0.47
1981	7,247,800	0.34
1980	7,007,464	1.14

Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.08	—	—
1983	0.08	—	2-for-1
1982	0.08	—	—
1981	0.08	—	—
1980	0.075	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

		Total Equity	Equity Per Share #
1984	$	48,214,000	$ 6.54
1983		34,393,000	4.68
1982		34,514,000	4.71
1981		31,614,000	4.32
1980		29,475,000	4.11

Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account

Year ended Sept. 30	1984	1983
Net sales	$ 119,641,000	$ 67,314,000
Cost of sales	55,692,000	38,426,000
Expenses	38,515,000	24,967,000
Depreciation & amortization	2,249,000	1,422,000
Interest expense	352,000	626,000
Income before taxes	$ 22,833,000	$ 1,873,000
Income taxes	8,710,000	217,000
Net Income	$ 14,123,000	$ 1,656,000

Assets

As of Sept. 30	1984	1983
Cash	$ 2,015,000	$ 2,728,000
Time deposits	971,000	208,000
Restricted cash	500,000	467,000
Investments	24,586,000	32,408,000
Accts. & notes receiv., net	29,184,000	15,176,000
*Inventories	34,527,000	22,706,000
Prepaid expenses & other assets	788,000	456,000
Prepaid inc. taxes	5,402,000	2,887,000
Current Assets	$ 97,973,000	$ 77,036,000
#Fixed assets	16,033,000	11,424,000
Deferred debts and other assets	1,385,000	1,537,000
Total Assets	$ 115,391,000	$ 89,997,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 2,119,000	$ 3,664,000
Accts. payable	11,027,000	4,681,000
Dividends payable	149,000	147,000
Accruals	9,270,000	5,542,000
Income taxes	2,324,000	722,000
Curr. Liabilities	$ 24,889,000	$ 14,756,000
Long-term debt	36,301,000	36,474,000
Other liabilities	350,000	231,000
Deferred inc. taxes	5,610,000	4,143,000
+ Common stock	11,036,000	10,322,000
Add. paid-in capital	88,000	88,000
Retained earnings	38,941,000	25,409,000
Cum. trans. adjust.	(1,674,000)	(1,336,000)
Treasury stock	(150,000)	(90,000)
Total Liabilities & Shareholders' Equity	$ 115,391,000	$ 89,997,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	19.08	2.78
%Net Income to Sales	11.80	2.46
%Net Income to Equity	29.28	4.81
Sales to Inventories	3.47	2.96
Working Capital	$73,084,000	$62,280,000
Current Ratio	3.94	5.22
Shareholders' Equity	$48,241,000	$34,393,000

Kustom Electronics, Inc.

(34.8% owned by Van Enterprises, Inc.)

8320 Nieman Road
Lenexa, Kansas 66214
(913) 492-1400

Officers: Cecil L. Van Tuyl, chairman of the board; Lyle P. Phillips, president & chief executive officer; Bruce Keeton, v.p.-human resources; Jim Crisp, v.p.-finance & corp. secretary; John Kusek, v.p.-engineering; Steve Kosman, v.p.-manufacturing; Lee Stroh, mgr.-quality control.

Directors: Cecil L. Van Tuyl, chairman; John L. Aker, Lyle P. Phillips, Robert W. McFadden, J. Wesley St. Clair, F.L. Thompson.

Areas of Work: Engaged in three principal lines of business: traffic radar systems; communications consoles and mobile terminals; and peripheral hardware products and software programs for personal computers. Products serve law enforcement agencies and mobile computer terminal businesses.

Divisions:

Communications Division
Traffic Safety Radar Division
P.C. Peripheral Products Division

Subsidiaries:

Kustom Promotions, Inc.
Kustoms Signals, Inc.
Kustom Recreational Equipment, Inc.
Kustom Data Communications, Inc.
Kustom Peripheral's Inc.

Transfer Agent(s):

United Missouri Bank of Kansas City
10th and Grand
Kansas City, Missouri 64106

Stock Exchange(s): Over-the-Counter

Ticker Symbol: KUST (NASDAQ)

Number of Employees:

1984	150	1981	196
1983	157	1980	200
1982	169		

Plant Footage:

1984	53,000 sq. ft.	1981	66,000
1983	N.A.	1980	53,000
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales‡ †	Net Income +
1984	$ 10,123,494	$ 951,018
1983	9,041,043	707,810
1982	8,098,199	64,007
1981	7,502,780	(1,405,293)
1980	7,443,694	(703,356)

	No. of Com. Shares #	Earn. per Share # +
1984	1,702,423	$ 0.56
1983	1,698,871	0.42
1982	1,594,761	0.04
1981	1,289,554	—
1980	1,282,371	—

(Loss)
‡ Includes other revenues.
† Of continuing operations only.
+ Including extraordinary gains $438,000 ($0.26 per share) in 1984, of $277,000 ($0.16 per share) in 1983 and $9,500 ($0.01 per share) in 1982.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Radar units	$ 5,103,228	$ 4,248,522
Avionics	1,998,376	1,795,048
Communications	2,216,811	2,048,370
Total	$ 9,318,415	$ 8,091,940

Common Stock Equity

		Total Equity	Equity Per Share
1984	$	2,568,517	$ 1.51
1983		1,594,352	0.94
1982		886,542	0.56
1981		422,535	0.33
1980		1,799,140	1.40

Income Account *

Year ended Sept. 30	1984	1983
Net sales & other revenues	$ 10,123,494	$ 9,041,043
Cost of sales	5,906,915	5,385,554
Expenses	3,119,885	2,893,946
Interest expense	239,230	422,717
Gain on sale of assets	(4,235)	(240,901)
Other income	(84,319)	(128,083)
Income before taxes	$ 951,018	$ 707,810
Income taxes	438,000	277,000
Net Income	$ 513,018	$ 430,810
Extraord. gain	438,000	277,000
Net Income & extraord. gain	$ 951,018	$ 707,810

* Included in Costs and Expenses, Depreciation and Amortization: $243,265 in 1984 and $225,975 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 48,603	$ 30,438
Accts. receiv., net	2,100,589	2,006,359
*Inventories	1,863,755	2,018,329
Prepaid expenses	3,888	36,642
Excess costs on uncompleted contracts	132,720	159,903
Current Assets	$ 4,149,555	$ 4,251,671
#Fixed assets	716,073	685,832
Deposits & other assets	51,843	82,625
Total Assets	$ 4,917,471	$ 5,020,128

Liabilities

	1984	1983
Notes payable	$ 27,200	$ 68,544
Revolv. line of credit	447,341	1,625,537
Accts. payable	338,046	439,762
Accruals	628,803	440,036
Excess billings on uncompleted contracts	86,000	—
Curr. Liabilities	$ 1,527,390	$ 2,573,879
Long-term debt	821,564	851,897
+ Common Stock	171,236	171,236
Add. paid-in capital	2,130,617	2,129,554
Retained earnings (deficit)	267,379	(683,639)
Treasury stock	(715)	(22,799)
Total Liabilities & Shareholders' Equity	$ 4,917,471	$ 5,020,128

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	9.39	7.83
%Net Income to Sales	5.07	4.77
%Net Income to Equity	19.97	27.02
Working Capital	$2,622,165	$1,677,792
Current Ratio	2.72	1.65
Shareholders' Equity	$2,568,517	$1,594,352

LaBarge, Inc.

707 North Second Street
P.O. Box 14499
St. Louis, Missouri 63178
(314) 231-5690

Officers: Pierre L. LaBarge, Jr., chairman of the board, president & chief executive officer; Edward J. Nestor, Jr., exec. v.p.-finance & treasurer; Donald G. Collins, Craig E. LaBarge, vice presidents; Thomas B. Martin, v.p., secretary & general counsel; Gerard F. Salisbury, controller & asst. treasurer; William J. Maender, asst. secretary.

Directors: Pierre L. LaBarge, Jr., Gus G. Casten, Richard P. Conerly, Gilbert R. Whitaker, Jr., Edward J. Nestor, Jr., Richard A. Meyer, Peter Davis, R. Hal Dean, Craig E. LaBarge.

Areas of Work: Telemetry components, telemetry subsystems and systems, ordnance electronics, specialized cables and harnesses, flexible printed circuits, transmitters and receivers, power supplies, AC to DC converters, crystal filters, command control systems, molded launcher cables, flame resistant wire, non-flammable electrical wire, digital data transmission systems, digital data accumulation systems, specialized test equipment, emergency egress equipment, multi-conductor cables, prestressed bridge members, precast concrete pipe, precast concrete utility vaults, heavy wall pipe and tubing, seamless and welded steel pipe, continuous weld steel pipe, pressure tubing and special pipe and tube processing, custom rolled and welded pipe.

Divisions and Subsidiaries:

LaBarge Electronics Division
707 N. Second Street
St. Louis, Missouri 63102
(314) 231-3400

LaBarge Casual Furniture Group
  Duralite Company Inc.
  Molla, Inc.
  Omni Products International, Inc.
    Importer and distributor of casual furniture.

Transfer Agent(s):

Mercantile Trust Company
Drawer 321
St. Louis, Missouri 63166

Stock Exchange(s): American

Ticker Symbol: LB

Number of Employees:

1984	N.A.	1981	1,500
1983	1,200	1980	1,100
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Revenues +	Net Income
1984	$ 97,188,000	$ (12,268,308)
1983	84,532,000	859,821
1982	46,685,000	182,236
1981	40,091,000	2,806,445
1980	31,249,000	2,204,367

	No. of Com. Shares	Earn. per Share #
1984	6,721,114	$ —
1983	6,775,544	0.13
1982	6,776,544	0.03
1981	6,776,544	0.41
1980	6,771,346	0.33

(Loss)
+ Of continuing operations only.
# Based on the average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Electronics	$ 55,786,000	$ 52,645,000
Casual furniture	40,577,000	31,458,000
Management	825,000	429,000
Total	$ 97,188,000	$ 84,532,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.06	—	—
1983	0.06	—	—
1982	0.06	—	—
1981	0.06	—	—
1980	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 14,012,587	$ 2.08
1983	26,884,547	3.97
1982	26,435,193	3.90
1981	26,659,549	3.93
1980	24,220,553	3.58

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 96,353,909	$ 84,102,747
Other income	833,916	429,164
Total revenues	$ 97,187,825	$ 84,531,911
Cost of sales	77,776,079	67,201,790
Expenses	14,821,838	11,630,593
Interest expense	4,496,534	2,568,167
Loss on exch. of notes receiv.	986,748	—
Income (loss) before taxes	$ (893,374)	$ 3,131,361
Income taxes (credit)	(400,000)	1,246,000
Inc. (loss)—cont. oper.	$ (493,374)	$ 1,885,361
Loss—discont. oper	(11,774,934)	(1,025,540)
Net Income (Loss)	$ (12,268,308)	$ 859,821

* Included in Costs and Expenses, Depreciation and Amortization: $2,222,640 in 1984 and $1,312,567 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 9,425,212	$ 1,778,479
Accts. receiv., net	20,063,423	19,249,644
Inc. taxes refund	1,919,136	654,479
*Inventories	37,047,532	46,856,167
Prepaid expenses	1,408,723	1,305,884
Plant facility for sale	—	209,000
Current Assets	$ 69,864,026	$ 70,053,653
#Fixed assets	12,820,597	14,907,870
Assets of discont. bus.	7,802,290	5,872,120
Other assets	3,580,704	3,180,791
Total Assets	$ 94,067,617	$ 94,014,434

Liabilities

	1984	1983
Notes payable	$ 27,426,789	$ 10,053,224
Long-term debt, curr.	1,952,942	2,274,581
Accts. payable	13,806,898	16,848,976
Accruals	1,891,297	1,561,159
Employee compensation	1,334,,871	1,998,210
Other taxes	417,777	590,518
Curr. Liabilities	$ 46,830,574	$ 33,326,668
Long-term debt	33,224,456	32,166,219
Deferred inc. taxes	—	1,637,000
+ Common stock	1,777,777	1,777,777
Add. paid-in capital	1,964,532	1,964,532
Retained earnings	11,355,694	24,028,962
Treasury stock	(1,085,416)	(886,724)
Total Liabilities & shareholders' equity	$ 94,067,617	$ 94,014,434

* At lower of cost or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	—	3.20
Sales to Inventories	2.60	1.79
Working Capital	$23,033,452	$36,726,985
Current Ratio	1.49	2.10
Shareholders' Equity	$14,012,587	$26,884,547

LaPointe Industries, Inc.

155 West Main Street
Rockville, Connecticut 06066
(203) 872-8581

Officers: Frank J. Kelley, III, chairman of the board & chief executive officer; Albert E. Wasserman, vice chairman of the board; Jack Lopes, president; Salvatore K. Canistraro, treasurer; Shirley M. Milnes, v.p.-administration & asst. secretary; Kenneth P. Griffin, secretary.

Directors: Frank J. Kelley, III*, chairman of the board and chairman of the executive committee; Albert E. Wasserman*, vice chairman; Jack Lopes*, Bruce Chandler, Bert G. Kerstetter, Daniel L. McQuillan, Salvatore K. Canistraro, Kenneth P. Griffin.

* Member of the Executive Committee.

Areas of Work: The company manufactures complete electronic systems; electronic spare parts in sub-assembly form; printed circuit boards; circuit board assemblies; air variable capacitors which are used as frequency tuning devices in high stability oscillators and in radio receivers and transmitters; and air traffic control towers.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland 21203

Stock Exchange(s): American

Ticker Symbol: LPI

Number of Employees:

1984	330	1983	338

Sales and Earnings

	Net Sales	Net Income †
1984	$ 10,607,000	$ 544,000
1983	8,212,000	56,000
1982	6,672,000	(53,000)
1981	6,184,000	(583,000)
1980	7,946,000	(1,156,000)

	No. of Com. Shares ‡	Earn. per Share † ‡
1984	693,108	$ 0.78
1983	693,108	0.08
1982	693,108	—
1981	693,108	—
1980	693,108	—

(Loss)
† Including extraordinary gain of $61,000 ($0.09 per share) in 1981.
‡ Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Electronic syst. for compon.	$ 10,595,000	$ 7,784,000
Air traffic control towers	12,000	428,000
Total	$ 10,607,000	$ 8,212,000

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,570,700	$ 5.15
1983	2,384,458	3.44
1982	2,328,648	3.36

Income Account *

Year ended June 30	1984	1983
Net sales	$ 10,606,973	$ 8,211,952
Cost of sales	8,669,430	6,619,591
Expenses	1,385,362	1,325,583
Interest income	(42,498)	(33,872)
Other expenses	232,456	233,567
Income before taxes	$ 362,223	$ 67,083
Income taxes (credit)	(181,813)	11,272
Net Income	$ 544,036	$ 55,810

* Included in Costs and Expenses, Depreciation and Amortization: $168,006 in 1984 and $224,364 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 369,942	$ 154,798
Accts. receiv., net	1,071,181	1,042,603
Refundable taxes	1,663	47,058
*Inventories	3,959,433	3,629,941
Prepaid expenses	34,958	16,903
Current Assets	$ 5,437,177	$ 4,891,303
#Fixed assets	967,185	879,962
Total Assets	$ 6,404,362	$ 5,771,265

Liabilities

	1984	1983
Note payable	$ 850,000	$ 550,000
Long-term debt curr.	142,800	202,800
Accts. payable	838,408	738,447
Accrued interest	49,683	41,370
Other accruals	321,671	243,851
Income taxes	—	10,739
Curr. Liabilities	$ 2,202,562	$ 1,787,207
Long-term debt	631,100	773,900
Minority interest	—	650,000
Deferred inc. taxes	—	175,700
+ Common stock	885,788	885,788
Add. paid-in capital	829,392	187,186
Retained earnings	3,083,388	2,539,352
Treasury stock	(1,227,868)	(1,227,868)
Total Liabilities & Shareholders' Equity	$ 6,404,362	$ 5,771,265

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	3.41	0.82
%Net Income to Sales	5.13	0.68
%Net Income to Equity	15.24	2.34
Sales to Inventories	2.68	2.26
Working Capital	$3,234,615	$3,104,096
Current Ratio	2.47	2.74
Shareholders' Equity	$3,570,700	$2,284,458

Lear Siegler, Inc.

P.O. Box 2158
2850 Ocean Park Boulevard
Santa Monica, California 90406
(213) 452-5444

Officers: Robert T. Campion, chairman of the board & president; K. Robert Hahn, vice chairman; Norman A. Barkeley, exec. v.p.; Charles F. Pitts, sr. v.p.-administration; James N. Thayer, sr. v.p.-finance; Kenneth L. Way, v.p.-Automotive/Agricultural Group; David J. Louks, v.p. & conroller; William M. O'Hern, v.p.-public relations & advertising; Walter J. Kruel, v.p.-corp. planning & development; Robert U. Grant, v.p.-management services; Howell V. Perryman, v.p.-industrial relations; Ronald V. Paolucci, v.p.-Industrial/Recreational Group; Kenneth A. Ruck, v.p.-Automotive Group; Laurence A. Thompson, v.p.-Material Handling Group; Elmar Klotz, v.p.-Aerospace Group; Albert F. Myers, v.p.-purchasing; Stephen D. Natcher, v.p., secretary & general counsel; Larry R. DeJarnett, v.p.-information systems; Donald R. Schort, Jr., v.p. & treasurer; Robert J. Wyma, v.p.-Aircraft Group; Ronald C. Buehner, asst. v.p.-management services; Jerry H. Burnett, asst. v.p. & corp. auditor; Harvey A. Marsh, asst. v.p. & asst. controller.

Directors: Albert G. Handschumacher*, K. Robert Hahn, Howard L. McGregor, Jr.*, Robert T. Campion*, Barton Beek, Norman Barker, Jr., Patricia M. Howe*, Thomas P. Mullaney, Francis L. Dale.

*Member of the Executive Committee.

Areas of Work: The company has operations in three major business segments: Aerospace/Technology, Automotive, and Commercial/Industrial.

LSI develops instruments and systems for military, commercial and general aviation aircraft and major missle and space programs; produces propjet and piston-powered Piper aircraft and is a manufacturer of remotely piloted vehicles.

The company produces automotive products for original equipment manufacturers, primarily seating and air suspension systems; and for the replacement market, including windshields and brake parts.

LSI also produces material handling systems for manufacturing and distribution facilities, boats for the recreational market, furniture components and housewares, heating and air conditioning units and pre-engineered metal buildings, in addition to manufacturing and merchandising raw cotton and its by-products.

Divisions and Subsidiaries:

Aerospace/Technology Segment

Astronics Division
3400 Airport Avenue.
P.O. Box 442
Santa Monica, CA 90406
(213) 452-6000

Instrument Division
4141 Eastern Ave. S.E.
Grand Rapids, Michigan 49508
(616) 241-7000

Avionic Systems Corporation
7-11 Vreeland Road
Florham Park, New Jersey 07932-
(201) 822-1300

Management Services Division
3100 N. Interstate Hwy. 35
P.O. Box 11566
Oklahoma City, Oklahoma 73136
(405) 424-5551

Power Equipment Division
17600 Broadway Ave.
Maple Heights, Ohio 44137
(216) 662-1000

Romec Division
241 South Abbe Road
P.O. Box 4014
Elyria, Ohio 44036
(216) 323-3211

Steinheil-Lear Seigelr AG
8045 Ismaning
Osterfeldstrasse 82, West Germany

Transport Dynamics Division
P.O. Box 1953
3131 W. Sergerstrom Ave.
Santa Ana, California 92702
(714) 546-3131

International Division
P.O. Box 567
Rye, New York 10580
(914) 937-5300

Piper Aircraft Corporation
2926 Piper Drive
P.O. Box 1328
Vero Beach, Florida 32960
(305) 567-4361

Burroughs Division
3002 North Burkick Street
Kalamazoo, Michigan 49007
(616) 342-0161

Hypro Division
375 Fifth Avenue, N.W.
New Brighton, Minnesota 55112
(612) 633-9300

National Broach and Machine Division
17500 Twenty-Three Mile Road
Mt. Clemens, Michigan 48044
(313) 263-0100

National Twist Drill and Tool Division
341 Industrial Drive
Lexington, South Carolina 29072
(803) 359-5500

Peerless Division
18205 S. Boones Ferry Road
P.O. Box 447
Tualatin, Oregon 97602
(503) 639-6131

Rapistan Division
507 Plymouth Avenue, N.E.
Grand Rapids, Michigan 49505
(616) 451-6200

Audiotone Division
P.O. Box 2905
2422 West Holly
Phoenix, Arizona 85062
(602) 254-5888

Bogen Division
Route 4 and Foresr Ave.
P.O. Box 500
Paramus, New Jersey 07652
(201) 343-5700

Data Products Division
901 East Ball Road
P.O. Box 3555
Anaheim, California 92803
(714) 778-3500

Electronic Instrumentation Division
714 North Brookhurst Street
Anaheim, California 92803
(714) 774-1010

Energy Products Division
2040 East Dyer Road
Santa Ana, California 92705
(714) 250-1010

Measurement Controls Division
74 Inverness Drive East
Englewood, Colorado 80112
(303) 792-3300

Sierra Electronic Division
3885 Bohannon Drive
Menlo Park, California 94025
(415) 321-5374

Automotive Segment

Accurate Products Division
4370 Jutland Drive
San Diego, California 92117
(619) 273-1212

Certified Division
1000 Martin Grove Road
Rexdale, Ontario, Canada M9W 4V9
(416) 249-8381

Safelite Division
801 South Wichita
P.O. Box 1879
Wichita, Kansas 67201
(316) 267-4000

Signal Division
P.O. Box 23036
1370 Esperanza St.
Los Angeles, California 90023
(213) 269-0321

Anchorlok Division
P.O. Box 5088
2910 East Ana
Compton, CA 90221
(213) 537-6710

Lear Siegler, Inc.

Starcraft Division
West Michigan Street
P.O. Box 338
Topeka, Indiana 46571
(219) 593-2550

Farm Equipment Division
P.O. Box 1013
Wahpeton, North Dakota 58075
(701) 642-2621

General Seating Division
13975 Farmington Road
Livonia, Michigan 48154
(313) 525-8620

Hutchinson Division
P.O. Box 33
514 West Crawford Street
Clay Center, Kansas 67432
(913) 632-2161

Neway Division
1950 Industrial Blvd.
Muskegon, Michigan 49443
(616) 773-3271

No-Sag Drahtfedern GmbH
P.O. Box 1240
4835 Rietberg 2
West Germany

Progress Pattern Division
21555 Telegraph Road
Southfield, Michigan 48034
(313) 444-5100

Societe No-Sag Francaise
50, Avenue de Wagram
75017 Paris, France

Commercial/Industrial Segment

Cuckler Building Systems Division
P.O. Box 438
102 West South Street
Monticello, Iowa 52310
(319) 465-3595

Foam Products Division
1750 W. Downs Drive
West Chicago, Illinois 60185
(312) 293-0780

Home Division
900 Brooks Avenue
Holland, Michigan 49423
(616) 394-4200

Mammoth Division
13120-B County Road 6
P.O. Box 9333
Minneapolis, Minnesota 55440
(612) 559-2711

No-Sag Spring Division
3500 West Eleven Mile Road
Berkley, Michigan 48072
(313) 547-5600

Plastics Division
236 West Clark Street
Mendon, Michigan 49072
(616) 496-2215

Hawaiian Properties Division
Amfac Building, Suite 1112
700 Bishop Street
Honolulu, Hawaii 96813
(808) 521-8781

FECO Engineered Systems Division
5855 Grant Avenue
Cleveland, Ohio 44105
(216) 441-2400

Seymour Division
885 North Chestnut Street
P.O. Box 408
Seymour, Indiana 47274-0408
(812) 522-5130

Marine Division
848 Airport Road
Fall River, Massachusetts 02720
(617) 678-5291

Jeanneau Constructions Nautiques S.A.
Boite Postale 83
85500 Les Herbiers, France

Transfer Agent(s):

Security Pacific National Bank
Box 3546, Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York, Pacific

Ticker Symbol: LSI

Number of Employees:

1984	30,800	1981	23,915
1983	20,000	1980	24,077
1982	21,983		

Plant Footage:

1984	21,698,000 sq.ft.	1981	13,302,000
1983	13,857,451	1980	14,206,000
1982	14,100,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,941,665	$ 85,145
1983	1,464,190	64,122
1982	1,487,505	72,295
1981	1,530,699	76,067
1980	1,423,397	65,722

	No. of Com. Shares #	Earn. per Share ‡
1984	17,034,000	$ 4.96
1983	16,483,000	3.84
1982	16,371,000	4.36
1981	15,896,000	4.71
1980	15,129,000	4.23

# Based on the average number of shares outstanding.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Aerospace/Technology	$ 734,472	$ 617,619
Automotive	596,736	404,097
Commercial/Industrial	610,457	442,474
Total	$ 1,941,665	$ 1,464,190

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.65	—	—
1983	1.525	—	—
1982	1.425	—	—
1981	1.28	—	—
1980	1.09	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 558,311,000	$ 30.89
1983	468,093,000	28.15
1982	422,275,000	25.74
1981	391,319,760	24.00
1980	321,795,000	20.80

‡ After allowing for preferred stock at liquidation preference value.

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 1,941,665	$ 1,464,190
Cost of sales	1,480,628	1,112,664
Expenses	276,085	220,713
Interest expense	32,977	19,715
Other expense (income)	(6,328)	817
Income before taxes	$ 158,303	$ 110,281
Income taxes	73,158	46,159
Net Income	$ 85,145	$ 64,122

* Included in Costs and Expenses, Depreciation and Amortization: $43,097,000 in 1984 and $32,786,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash	$ 28,718	$ 18,687
Cert. of deposit & invest.	8,204	43,584
Accts. & notes receiv., net	322,558	239,196
*Inventories	498,852	231,263
Prepaid expenses	28,047	17,822
Current Assets	$ 886,379	$ 550,552
#Fixed assets	382,154	238,993
Other assets	200,675	105,353
Total Assets	$ 1,469,208	$ 894,898

Liabilities
(000's)

Notes payable	$ 11,882	$ 1,823
Long-term debt, curr.	6,806	15,806
Accts. payable	175,749	108,516
Accruals	155,439	70,810
Accrued payroll	73,661	47,771
Income taxes	25,170	17,041
Curr. Liabilities	$ 448,707	$ 261,767
Long-term debt	346,993	108,295
Deferred liabilities	82,967	30,981
Deferred inc. taxes	21,230	11,762
+ Preferred stock	639	793
+ + Common stock	18,185	16,754
Add. paid-in capital	63,783	21,885
Retained earnings	516,581	460,257
For. curr. trans. adjust.	(20,713)	(15,387)
Unreal. loss on market secur.	(6,955)	—
Treasury stock	(2,209)	(2,209)
Total Liabilities & Shareholders' Equity	$ 1,469,208	$ 894,898

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.15	7.53
%Net Income to Sales	4.39	4.38
%Net Income to Equity	14.96	13.30
Sales to Inventories	3.89	6.33
Working Capital	$437,672,000	$288,785,000
Current Ratio	1.98	2.10
Shareholders' Equity	$569,311,000	$482,093,000

LFE Corporation

55 Green Street
Clinton, Massachusetts 01510
(617) 835-1000

Officers: Herbert Roth, Jr., chairman of the board; L.M. Faulkner, president; Ronald A. Riggs, sr. v.p. & gen. mgr.-Fluids Control Division; Charles N. Davis, v.p. & gen. mgr.-Traffic Control Division; Charles Dudinski, v.p. & presdient-Anderson/Nichols; Thomas P. Graham, v.p.-finance; E. MacKay Fraser, v.p., secretary & general counsel; Brewster W. Jameson, v.p. & gen. mgr.-Process Control Division; Denis J. McGreivy, v.p. & gen mgr.-Process Control Division; William E. Morrill, treasurer.

Directors: Coleman Burke, Albert J. Kelley, David T. Morgenthaler, Bernard J. O'Keefe, Herbert Roth, Jr., L.M. Faulkner, Boruch B. Frusztajer, C. W. Spangle.

Areas of Work: Develops, designs and manufactures high technology products used to control industrial processed, refulate automotive traffic, and create a stabel environment for military electronics. The company also provides engineering, architectural and environmental services to industry and government.

Divisions and Subsidiaries:

LFE Traffic Control Division
Hamden, Connecticut

LFE Process Control Division
Clinton, Massachusetts
Chesterland, Ohio

LFE Fluids Control Division
Hamden, Connecticut

Anderson-Nichols & Co., Inc.
Boston and Clinton, Massachusetts
Concord, New Hampshire
Richmond and Palo Alto, California
Phoenix, Arizona
Bangor, Maine
Newington, Connecticut

Interstate Highway Sign Company
Little Rock, Arkansas

Acquisition(s):

Ames Engineering
Bangor, Maine

Genter Engineering
Providence, Rhode Island

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: LFE

Number of Employees:

1984	N.A.	1981	1,674
1983	N.A.	1980	2,053
1982	1,335		

Plant Footage:

1984	N.A.	1981	695,000
1983	N.A.	1980	779,000
1982	790,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 75,498,000	$ 786,000
1983	65,148,000	417,000
1982	69,346,000	2,831,000
1981	78,672,000	(2,830,000)
1980	81,766,000	1,694,000

	No. of Com. Shares #	Earn. per Share ‡ #
1984	1,933,000	$ 0.36
1983	1,887,000	0.18
1982	1,980,000	1.43
1981	1,978,000	—
1980	1,959,000	0.86

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gain of $238,000 ($0.12 per share) in 1982.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Traffic control	$ 18,086,000	$ 15,972,000
Process control	24,439,000	24,405,000
Fluids control	19,846,000	15,184,000
Services	13,127,000	9,587,000
Total	$ 75,498,000	$ 65,148,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	—
1981	0.09	10%	—
1980	0.12	10%	—

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1984	$ 21,181,000	$ 10.96
1983	20,391,000	10.81
1982	20,074,000	10.14
1981	17,336,000	8.76
1980	20,351,000	10.39

‡ After allowing for preferred stock at liquidation value of $14 per share.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended	4/27/84	4/29/83
Net sales	$ 75,498	$ 65,148
Cost of sales	56,653	48,890
Expenses	16,759	15,754
Other income	—	(1,257)
Interest expense	1,156	1,222
Income before taxes	$ 930	$ 539
Income taxes	144	122
Net Income	$ 786	$ 417

* Included in Costs and Expenses, Depreciation: $1,559,000 in 1984 and $1,285,000 in 1983.

Assets
(000's)

As of	4/27/84	4/29/83
Cash	$ 536	$ 574
Receiv., net	19,620	18,139
*Inventories	13,384	11,775
Def. inc. taxes	886	1,352
Prepaid expenses	354	376
Current Assets	$ 34,780	$ 32,216
#Fixed assets	10,636	10,531
‡Leased prop. under cap. leases	710	914
Other assets	755	843
Total Assets	$ 46,881	$ 44,504

Liabilities
(000's)

Long-term debt, curr.	$ 97	$ 88
Accts. payable	6,429	5,361
Accruals	6,240	6,481
Oblig. under cap. leases	254	431
Deferred income	151	115
Income taxes	333	477
Curr. Liabilities	$ 13,504	$ 12,953
Long-term debt	7,162	6,127
Long-term 10% sub. deben.	2,774	2,751
+ Preferred stock	1,614	1,630
+ + Common stock	2,105	2,104
Add. paid-in capital	18,052	18,041
Retained earnings	3,280	2,575
Treasury stock	(1,610)	(1,677)
Total Liabilities & Shareholders' Equity	$ 46,881	$ 44,504

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ $10 stated value; Series A cumulative convertible.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.23	0.83
%Net Income to Sales	1.04	0.64
%Net Income to Equity	3.35	1.84
Sales to Inventories	5.64	5.53
Working Capital	$21,276,000	$19,263,000
Current Ratio	2.58	2.49
Shareholders' Equity	$23,441,000	$22,673,000

Lion Precision Corporation

11C Esquire Road
N. Billerica, Massachusetts 01862-2588
(617) 663-7400

Officers: Louis Michelson, chairman; Thomas M. Duff, Jr., president & chief executive officer; Robert Massard, treasurer; Andrew Taylor, clerk; Caroline Blackburn, asst. treasurer.

Directors: Louis Michelson, chairman, Robert Massard, C. Mackay Ganson, Jr., Harry Healer, Jr., William Wolfson, Thomas M. Duff, Jr.

Areas of Work: Designs and manufactures a line of contact and non-contact precision gaging systems and controls for industry. The line inludes spring gages, thickness gages, transducers, displacement and tension devices, wafer gages, and microprocessors.

Transfer Agent(s):

Caroline S. Blackburn
c/o Corporate Offices

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	35	1982	32
1983	32	1981	12

Plant Footage:

1984	N.A.	1981	10,000
1983	10,000 sq. ft.	1980	10,000
1982	10,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 2,301,604	$ 65,850
1983	1,868,701	14,671
1982	1,491,180	25,119
1981	1,070,967	11,264
1980	1,462,863	45,270

	No. of Com. Shares	Earn. per Share #
1984	1,008,748	$ 0.07
1983	1,007,691	0.02

1982	748,309	0.03
1981	590,430	0.02
1980	590,430	0.08

# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 938,461	$ 0.93
1983	858,112	0.85
1982	843,441	1.13
1981	527,235	0.89
1980	515,971	0.87

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 2,301,604	$ 1,868,701
Cost of sales	1,142,211	1,021,049
Product develop. costs	121,441	109,679
Expenses	933,216	712,858
Oper. profit	$ 104,736	$ 25,115
Int. expense	32,886	8,844
Income before taxes	$ 71,850	$ 16,271
Income taxes	6,000	1,600
Net Income	$ 65,850	$ 14,671

* Included in Costs and Expenses, Depreciation and Amortization: $52,855 in 1984 and $50,325 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 319	$ 50,328
Accts. receiv., net	725,631	536,915
*Inventories	650,622	512,371
Prepaid expenses	3,339	7,036
Current Assets	$ 1,379,911	$ 1,106,650
#Fixed assets	257,269	199,990
Other assets	54,961	43,645
Total Assets	$ 1,692,141	$ 1,350,285

Liabilities

	1984	1983
Notes payable	$ 266,100	$ 114,000
Long-term debt, curr.	37,000	33,000
Accts. payable	172,127	130,911
Accruals	136,172	94,398
Accrued inc. taxes	20,015	2,028
Curr. Liabilities	$ 631,414	$ 374,337
Long-term debt	82,266	77,836
Deferred comp.	40,000	40,000
+ Common stock	280,245	278,145
Add. paid-in capital	532,547	521,719
Retained earnings	144,079	78,229
Treasury stock	(18,410)	(19,981)
Total Liabilities & Shareholders' Equity	$ 1,692,141	$ 1,350,285

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.30 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	3.12	0.87
%Net Income to Sales	2.86	0.79
%Net Income to Equity	7.02	1.71
Sales to Inventories	3.54	3.65
Working Capital	$748,497	$732,313
Current Ratio	2.19	2.96
Shareholders' Equity	$938,461	$858,112

Litton Industries, Inc.

360 North Crescent Drive
Beverly Hills, California 90210-9990
(213) 859-5000

Officers: Fred W. O'Green, chairman of the board; Orion L. Hoch, president; Joseph T. Casey, Arnold R. Kaufman, Joseph F. Caligiuri, exec. v.p.'s; Leonard Erb, M. Howard Dingman, Jr., Robert H. Lentz, Grady W. Warwick, Roland O. Peterson, sr. v.p.'s; Wayne L. Grosvenor, sr. v.p. & controller; Charles S. Bridge, Charles A. Gallagher, Walter P. Lukens, Ronald E. Quigley, Mathias J. Diedrich, Alex B. Owen, Charles Fink, Alton J. Brann, F. James Carr, Neal P. Cramer, Richard D. Fleck, Rudolph E. Lang, Jr., Gerald J. St. Pé, John D. Wisenbaker, Charles E. Holmquist, Richard T. Hopman, L.E. Jenneke, Ronald R. Keating, James C. Nance, Thomas M. O'Donnell, Gordon G. Palmer, Wolfgang Schaer, v.p.'s; George E. Boullianne, v.p. & treasurer; George W. Fenimore, sr. v.p. & secretary.

Directors: Fred W. O'Green, chairman; Joseph T. Casey, Jayne B. Spain, Wallace W. Booth, Thomas B. Hayward, Orion L. Hoch, J. Edward Lundy, C.B. Thornton, Jr., James H. Zumberge.

Areas of Work: Retail tag-making equipment and supplies; navigation and control systems, including, aircraft inertial navigation systems, missile inertial guidance systems, marine navigation instrument and systems, and automated ship control systems; communications and electronic data systems, including command and control systems, shipboard electronic systems, tactical communications and systems, tactical air support equipment, airborne warning and control systems, electronic surveillance systems, radio navigation systems; marine engineering and production, including naval surface sipps, and marine design and engineering; machine tool systems, including disc and surface grinding machines, automatic bar and chucking machines, boring, milling and drilling machines, drills, taps, dies and cutting tools, and specialty metal products; bulk material handling systems, and unit handling conveyor systems; electronic and electrical components, including computer components and subassemblies, microwave devices and laser materials, servo components and potentiometers and printed circuit boards; medical and electronic products, including electronic diagnostic and patient monitoring equipment, biomedical services and life science research, microwave cooking products; also engaged in resource exploration.

Divisions and Subsidiaries:

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Mail to: P.O. Box 2847 CS
Springfield, Missouri 65803-0847
(417) 862-0751
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6101 Condor Drive
Moorpark, California 93021-2699
(805) 378-2000
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also at:

Marketing Representation
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Bldg. 5, Suite 146
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(404) 955-0629

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Bohemia, New York 11716
(516) 589-5522

490 L'Enfant Plaza East, S.W.
Suite 8602
Washington, DC 20024
(202) 554-2570

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455 London Rd.
Isleworth, Middlesex
TW7 5AB England

Aero Service
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Houston, Texas 77251-1939
(713) 784-5800

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(513) 253-3194

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Shalimar, FL 32579
(904) 651-3536

P.O. Box 700
Warner Robins, GA 31099
(912) 953-2002

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also:

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(215) 622-1000

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c/o Litton Services GmbH
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Williamsport, Pennsylvania 17701-3911
(717) 326-3561

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(201) 759-6500

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Kimball Systems, Austria
Rennweg, 46-48
A-1030, Vienna
Austria
Marketing and service of Kimball punch marking and OCR systems.

Kimball Systems, France
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FG-75017 Paris, France
Marketing and service of Kimball punch marking and magnetic encoding systems and OCR tags and labels.

Kimball Systems, Germany
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Marketing and service of Kimball punch marking and magnetic encoding systems and OCR tags and labels.

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Suite 500
Des Plaines, Illinois 60016
(312) 298-9305

1500 Broadway
Suite 1703
New York, New York 10036
(212) 869-1750

645 Almanor Avenue
P.O. Box 3478
Sunnyvale, California 94088-3478
(408) 773-7363

Litton Corporate Offices
(Headquarters)
360 N. Crescent Drive
Beverly Hills, California 90210-9990
(213) 859-5000

(Regional Offices)
201 East 42nd Street, 10th Floor
New York, New York 10017-5785
(212) 661-1111

490 L'enfant Plaza Est. S.W.
Washington, D.C. 20024-2179
(202) 554-2570

(European Office)
Gubelstrasse 28
CH-8050 Zurich, Switzerland
41-1-312 35 44

(Far East Office)
Central P.O. Box 760
Tokyo, Japan
81-3-211 6791

(Corporate Audit Services)
360 N. Crescent Drive
Beverly Hills, California 90210-9990
(213) 859-5082

1767 Morris Avenue
Union, New Jersey 07093-3588
(201) 686-3341

2250 E. Devon
Suite 135
Des Plaines, Illinois 60018-4593
(312) 296-6151

(Regional Public Relations Office)
303 E. Wacker Drive, Suite 1211
Chicago, Illinois 60601-5212
(312) 664-4558

(Regional Real Estate Offices)
9950 West Lawrence Avenue
Suite 202
Schiller Park, Illinois 60176-9998
(312) 671-2610

201 East 42nd St., 10th Floor
New York, New York 10017-5785
(212) 661-1111

Litton Datamedix
Route 1
Sharon, Massachusetts 02067
(617) 784-7878
(800) 225-0455
Research, development, production and marketing of medical electronic equipment.

Litton Facilities Management Systems
1213 N. Main St.
Blacksburg, Virginia 24060
(703) 552-3011

Litton International S.A.
Gubelstrasse 28
CH-8050 Zurich, Switzerland
Holding company.

Litton Korea Ltd. (LITKOR)
345-15 Gari Bong Dong
Guro-Gu
Seoul Korea
Support services and manufacturing associated with sale of Litton designed advanced electronic systems in Korea.

Litton Microwave Cooking Products
1405 Xenium Lane North
P.O. Box 9461
Minneapolis, Minnesota 55440
Exec. Officers (612) 553-2000
Microwave ovens and accessory products for commercial, institutional, vending and home use.

also at:

600 East 54th Street
Sioux Falls, South Dakota 57104
(605) 336-2222
Production of countertop microwave ovens.

Litton Microwave Cooking Products
(Canada) Ltd.
6650 Finch Avenue, West
Rexdale, Ontario, Canada M9W 5Y6
(416) 675-7051

Litton Microwave Cooking Products Ltd.
Mint House
6 Stanley Park Road
Wallington, Surrey
Great Britain SM2 5BQ

also at:

Vrijzicht 79
P.O. Box 9267
NL-1006 AG Amsterdam, Netherlands

Litton Precision Gear
4545 South Western Boulevard
Chicago, Illinois 60609
(312) 847-4211
Precision gears and aircraft parts, helicopter gears and transmissions.

Litton Precision Products International
400 Park Road
Watertown, Connecticut 06795
(203) 274-8891
Sales of Litton and non-Litton manufactured electronic and electro-mechanical components.

(France)
58, rue Pottier
F-78150 Le Chesnay, France

(Germany)
Oberfoehringerstrasse 8
D-8 Munich 80, Germany
Headquarters for Europe

(Australia)
28 Burton Street
Darlinghurst 2010, N.S.W., Australia

(Great Britain)
(6) First Avenue
Globe Park, Unit 6
GB Marlow, Buckinghamshire
Great Britain SL7 1YA

(Italy)
Viale Romagna 1
I-20092 Conisello Balsamo-Milan 1
Italy

Via Egerio Levio, 15
00174, Rome, Italy

(Netherlands)
Van Utrechweg 25,
NL-2921 LN Krimpen a.d. Yssel
Netherlands

(Sweden)
Warfvinges Vag 32
Box 30095
S-104 25 Stockholm, Sweden

(Switzerland)
Gubelstrasse 28
CH-8050 Zurich, Switzerland

Litton Resources Systems
1001 Loop 35 East
Alvin, Texas 77512
(713) 331-6451
Manufacture, sale and maintenance of electronic digital recording and processing equipment for the geophysical industry. Land and marine seismic detectors and cables.

also at:

3600 Briar Park
Houston, Texas 77042

Litton Services GmbH
Mitteldicker Weg
6078 Neu-Isenburg
Zeppelinheim, West Germany
Construction of infrastructure in support of Litton International projects.

Litton Servotechnik
Feringastr 14
D-8043 Unterfoehring
West Germany

Manufacturer of trimmers and potentiometers. Industrial precision potentiometers turn couting dials digital and analog, incremental encoders, dc motors, industrial slip rings.

Litton Systems Canada Limited
25 Cityview Drive
Rexdale, Ontario, Canada M9W 5A7
(416) 249-1231

Inertial navigation systems, airborne surveillance radar, flight inspection systems, LED flat panel displays, intruson detection and surveillance security systems, ship command and control systems, radar training simulators and automated test equipment.

Litton UHS (Unit Handling Systems)
7900 Tanners Gate
Florence, Kentucky 41042
(606) 525-5700

Automated storage retrieval systems; unit-handling conveyor systems and equipment.

Litton UHS/Automated Manufacturing Systems
P.O. Box 179
2200 Litton Lane
Hebron, Kentucky 41048
(606) 334-2600

Automated storage and retrieval systems, flexible assembly systems and integrated material handling systems.

also at:

280 E. Riley Street
Zeeland, Michigan 49464-9786
(616) 772-6321

Driverless, automatically guided material handling vehicles.

Litton UHS/Conveyor Systems
2100 Litton Lane
P.O. Box 10
Hebron, Kentucky 41048-0010
(606) 334-2400

Pre-engineered conveyor products and systems.

also at:

P.O. Drawer 1969
1316 N. Long St.
Salisbury, North Carolina 28145-1969
(704) 636-3041

High speed conveyors for the food and beverage industries.

P.O. Drawer 177
Montgomery, Alabama 36196-6101
(205) 269-2355

Pallet loading and unloading equipment for material handling systems.

Litton UHS/Engineered Systems
7100 Industrial Road
Florence, Kentucky 41042-2906
(606) 525-5700

Automated storage and retrieval systems, engineered conveyor systems, unit handling conveyor systems and equipment.

Litton-Westrex Company, Japan
Chiyoda Building
1-2, 2-Chrome, Marunouchi
Chiyoda-Ku
Tokyo, Japan
Mail to:
Central P.O. Box 760
Tokyo, Japan
81-3-211-6791

Distribution of Litton products; purchase of products manufactured in Japan for export to Litton divisions; technical licensing; exchange of technology and distribution of products between Litton divisions and Japanese firms.

Litton World Trade Corporation
Gubelstrasse 28
8050 Zurich, Switzerland

Development of Litton trade with Mideast and Eastern countries.

Lucas Machine
12302 Kirby Avenue
Cleveland, Ohio 44108
(216) 451-5588

Boring, milling and drilling machines (horizontal and vertical), largely equipped with numerical controls; machining centers and machining systems.

Lund Mfg. Co. (New Britain Machine)
Lund Industrial Road
Saco, Maine 04072
(207) 282-3336

Machine tool components and attachments.

Mellonics
1001 West Maude Avenue
Sunnyvale, California 94086
(408) 245-0795

Services and systems: computer programming and software development; data systems design, systems engineering and engineering services; operations analysis, technical communication programs, systems operational test and evaluation, electronic warfare computer program development. Manufacturing systems timesharing, turnkey systems and software packages to support the materials management process.

also at:

1015 18th Street, N.W.
Washington, D.C. 20036
(202) 296-5614

490 L'Enfant Plaza Est, S.W.
Washington, D.C. 20024-2179
(202) 554-2570

P.O. Box 2498
Ft. Benning, Georgia 31905
(404) 545-1845

Suite 109
1275 Space Park Dr.
Houston, Texas 77058
(713) 333-1600

(Litton Manufacturing Systems)
Suite 250
6120 Bristol Parkway
Culver City, California 90230
(213) 215-0000

1050 S. Academy
Suite 203
Colorado Springs, Colorado 80916
(303) 597-5017

New Britain Machine
P.O. Box 2200
South Street
New Britain, Connecticut 06050
(203) 229-1641

Multiple spindle automatic bar machines, multiple spindle automatic chucking machines, twin and single spindle vertical and horizontal numerically controlled chucking machines, four-axes center drive numerically controlled chucking lathes, vertical and horizontal precision contour boring and turning machines, friction welding machines, and surface grinding and honing machines systems.

Petrophysical Services, Inc.
2665 Marine Way
Mountain View, California 94043-1126
(415) 960-0964

Special core analysis, automated core measurement systems, microprocessor high-pressure pumps.

C. Plath
Gertigstrasse 48
D-2000 Hamburg 60, Germany

Advanced and conventional marine navigational equipment, including gyro compasses, automatic pilots, electronic main-steering systems, rate-of-turn indicators, radio navigation equipment, EM-log, sextants, magnetic compasses and general nautical instruments.

also at:

4927 Calvert Road
College Park, Maryland 20740
(301) 864-0100

Poly-Scientific
1213 North Main Street
Blacksburg, Virginia 24060
(703) 552-3014

Slip ring assemblies, miniature to large, for all applications including body scanners, offshore mooring and geophysical, cockpit instrumentation, inertial navigation, helicopter deicing, cable reels, radar pedestals, military vehicle turrets, high speed turbine testing and hard vacuum; rotary switches; arm/disarm devices; molded cable assemblies; perimeter protection (burglar) systems and related components.

Also analytical services including physical and chemical analysis particularly as relates to contamination and tribological research of electric contracts.

Potentiometer
750 South Fulton Avenue
Mount Vernon, New York 10550
(914) 664-7733

Precision potentiometers and precision rheostats in rotary, multiturn and singleturn rectilinear and sector types, pendulum transducers; resistors, rotary switches, servo modules; Compulift crane warning systems and load sensing systems.

Twin City Tool
1001 West U.S. 56 Highway
Olathe, Kansas 66061
(913) 782-2200

Landis plain & universal grinding machines; subcontract machining services on NC and other metal cutting/metal forming machine tools.

USECO
13536 Saticoy Street
Van Nuys, California 91409
(213) 786-9381

Standard and custom screw machine products: terminals, spacers, inserts, knobs, handles, jacks, pins and terminal boards. Standard and custom molded products: connectors, headers, and insulated terminals. Card cages, back panel wire wrap and design.

Veam
Via G. DiVittoriol
I-20020 Arese/Milan, Italy

Electronic cylindrical connectors. "Products distributed by Litton Precision Products International."

also at:

100 New Wood Road
Watertown, Connecticut 06795
(203) 274-9681

Veam Elektro-Anschulusstechnik GmbH
P.O. Box 1304
Scharnhaeuser Strasse 3
D-7024 Fildestadt 1/Stuttgart
West Germany

Electronic cylindrical connectors.

Western Geophysical
10001 Richmond Avenue
Houston, Texas 77042
Mail to:
P.O. Box 2469
Houston, Texas 77252
(713) 789-9600

Land and marine geophysical seismic surveys for petroleum industry, processing and interpretation of field data at five digital service centers.

also at:

7229 South Alton Way
P.O. Box 3118
Englewood, Colorado 80111
(303) 770-8660

Field Offices:
900 Mohawk Street
Bakersfield, California 93309
(805) 324-0340

351 International Airport Road
Anchorage, Alaska 99502
(907) 272-2511

201 E. Arapaho Road
P.O. Box 2425
Richardson, Texas 75080
(214) 669-3360

Western Geophysical (Australia)
Unit 8, Redcliffe Centre
431 Great Eastern Highway
Redcliff, 6104
Perth, Western Australia

Western Geophysical (Canada)
2612 37th Avenue, N.E.
Mail to:
P.O. Box 5250 Station A
Calgary 9, Alberta, Canada T2H 1X6
(403) 280-8100

Western Geophysical (Great Britain)
Wesgeco House
P.O. Box 18
455 London Road
GB-Isleworth, Middlesex, Great Britain TW7 5AB

Western Geophysical (Singapore)
37B Union Industrial Bldg
Mail to:
Box 94
Thomson Road, P.O
Singapore 20

Western Ricerche Geofisiche S.p.A.
Via Leo Tolstoi 86
I-20098 San Guiliana
I-20124 Milan, Italy

Westrex Asia
BCC House
13th Floor
Room 1302
10 Queen's Road Central
Hong Kong

Sales and service of Westrex, Sweda and Kimball products.

Winchester Electronics
400 Park Rd.
Watertown, Connecticut 06795
(203) 274-8891

Electronic and electrical connectors for computers and other industrial, commercial and military uses; back panel wirewrap and design, connector accessories and tools, insulated terminals.

also at:

Winchester Electronics
(Division of LPPI GmbH)
Otto-Hahn-Strasse 8
D-7100 Biberach/Heilbronn
West Germany

Manufacture of connectors for electronic and data processing and telecommunication industries; back panel wirewrap, IDC connectors.

Winchester Electronics Ltd.
(United Kingdom)
71B Whitecraigs Road
Whitehall Industrial Estate
Glenrothes, Fife KY7 6NR
Scotland

Transfer Agent(s):

Litton Industries, Inc.
Shareholder Services
P.O. Box 5555
Beverly Hills, California 90210

Stock Exchange(s): New York, Pacific

Ticker Symbol: LIT

Number of Employees:

1984	N.A.	1981	77,000
1983	69,200	1980	75,400
1982	75,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 4,605,744	$ 313,380
1983	3,958,985	231,560
1982	4,123,910	314,960
1981	3,977,828	311,566
1980	3,294,356	290,821

	No. of Com. Shares #	Earn. per Share #
1984	42,256,018	$ 7.32
1983	42,066,194	5.41
1982	42,046,364	7.39
1981	42,018,087	7.31
1980	41,657,508	6.85

‡ Includes service revenues; of continuing operations only.
# Based on the weighted average number of common and preference shares outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984 (000's)	1983 (000's)
Electronic and electrical products	$ 1,061,942	$ 915,459
Industrial systems & services	1,178,180	1,070,654
Advanced electronic sys.	1,562,927	1,320,074
Marine engineering and production	841,002	705,155
Intergroup eliminations	(65,963)	(68,041)
Miscellaneous	27,656	15,684
Total	$ 4,605,744	$ 3,958,985

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.90	2%	—
1983	1.70	2%	—
1982	1.50	2%	—
1981	1.30	2%	—
1980	1.10	2%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity ‡	Equity Per Share #
1984	$2,002,697,000	$ 47.74
1983	1,779,442,000	42.51
1982	1,626,671,000	38.73
1981	1,370,802,000	32.73
1980	1,083,547,000	27.11

‡ After allowing for preferred stock at liquidation value.
# Adjusted to reflect stock dividends.

Income Acccount
(000's)

Year ended July 31	1984	1983
Sales and service revenues	$ 4,605,744	$ 3,958,985
Cost of sales	3,473,756	2,928,681
Expenses	589,319	515,299
Depreciation	161,279	181,799
Interest income	(124,776)	(115,857)
Currency adjustments	1,501	45
Gain on sale of businesses	(1,451)	—
Income before taxes	$ 506,116	$ 449,018
Income taxes	228,688	198,082
Inc. - cont. oper.	$ 277,428	$ 250,936
Inc. (loss) disc. oper.	35,952	(19,376)
Net Income	$ 313,380	$ 231,560

Assets
(000's)

As of July 31	1984	1983
Cash & market. secur.	$ 1,437,468	$ 1,242,544
Accts. receiv., net	650,558	660,100
*Inventories	423,354	587,845
Prepaid expenses & taxes	140,382	178,428
Current Assets	$ 2,651,762	$ 2,668,917
Assets of discont. oper.	205,231	—
#Fixed assets	877,362	905,331
Intangibles	313,406	191,844
Other assets	332,142	233,311
Total Assets	$ 4,379,903	$ 3,999,403

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 60,494	$ 54,007
Accts. payable	525,874	437,040
Payroll expenses	275,543	267,263
Income taxes	168,882	90,071
Cust. deposits & cust. liab.	797,791	742,254
Curr. Liabilities	$ 1,828,584	$ 1,590,635
Long-term liabilities	225,995	232,544
Deferred inc. taxes & other items	312,361	346,563
+ Preferred stock: Series B	2,053	10,044
+ + Common stock	41,947	41,039
Add. paid-in capital	1,306,303	626,921
Retained earnings	(10,136)	1,151,657
Total Liabilities & Shareholders' Equity	$ 4,379,903	$ 3,999,403

* Raw materials stated at lower of cost (FIFO) or market. Work in process and finished goods stated at average cost.
# Less accumulated depreciation.
+ $5 par value.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	15.57	12.66
Working Capital	$ 823,178,000	$1,078,282,000
Current Ratio	1.45	1.68
Shareholders' Equity	$2,012,963,000	$1,829,661,000

Lockheed Aircraft Corporation

2555 North Hollywood Way
Burbank, California 91520
(213) 847-6121

P.O. Box 551
Burbank, California 91520

Officers: Roy A. Anderson, chairman of the board & chief executive officer; Lawrence O. Kitchen, president & chief operating officer; Vincent N. Marafino, exec. v.p. & chief financial officer; group presidents: R.B. Ormsby-Aeronautical Systems Group; R.W. Taylor-Information Systems Group; L.A. Smith-Marine Systems Group; R.A. Fuhrman-Missiles, Space and Electronics Systems Group; Robert H. Wertheim-sr. v.p. - science & engineering; vice-presidents: Norman L. Benjamin-human resources; H.T. Bowling-corporate development; Harold Brownman, president-Electronics Co.; Ken Cannestra, exec. v.p.- Georgia Co; R.F. Conley, president-Lockheed Corp. International; A.G.; C.H. Chisum, information & administrative services; Richard Cook-Washington area; H. David Crowther-corporate communications; Charles de Bedts-marketing; W. Paul Frech-president-Georgia Co.; D.H. Daniels, operations; Jack Freeman, exec. v.p.-Lockheed Missiles & Space, Inc.; Russ Hopps, v.p. - engineering; Larry Jenkins, gen. mgr.-Austin division; J.J. Cornish, chief engineer-Advanced Aeronautics Co.; W.B. LaBerge, gen. mgr.-research & development division, R.M. Powell, gen. mgr.-Astronautics Systems Division; E.L. Graham, exec. v.p.-California Robert R. McKirahan-treasurer; Robert Northcutt-controller; Thomas O'Hara-contracts & pricing; V.P. Peline, gen. mgr.-Space Systems Division; Ben Rich, gen. mgr.-advanced development projects; James Ryan, secretary & asst. gen. counsel; Albert R. Schroter, president-Space Operations Co.; Edward J. Schockley, president-Aircraft Service Co.; Derald Stewart, gen. mgr.-Missiles Systems; Daniel M. Tellep, president-Missiles & Space Co.; Joseph Twomey-gen. counsel; Stanley I. Weiss-asst. gen. mgr. - Astronautics Systems Division; R.R. Heppe, president-California Co.; Robert Young, president-Engineering & Management Systems Co.; Sam Pearce, staff v.p., chief counsel & asst. secretary; A. Gene Otsea, asst. treasurer.

Directors: Roy A. Anderson*, Michael Berberian, Joseph R. Rensch, Joseph P. Downer*, Houston I. Flournoy, Robert A. Fuhrman, Vincent N. Marafino, Lawrence O. Kitchen*, Walter J. Stoessel, Jr., Joseph J. Pinola, Jack K. Horton*, John E. Swearingen R.B. Ormsby, Jr.

* Member of the Executive Committee.

Lockheed Aircraft Corporation

Areas of Work: The company is engaged in the manufacture of military and commercial aircraft; space and missile programs, aircraft servicing; data recording and analysis systems; electronic marine equipment; aircraft training aids; tactical and airborne radar, spacecraft and commercial recorders; gunfire controls; checkout and test equipment; fuel oil computer registers; computer memory systems and components; computer services; deep submergence vehicles; information systems; shipbuilding and repair; energy management systems; environmental monitoring and clean-up.

Divisions and Subsidiaries:

Lockheed Aircraft Service Company
Ontario, California 91761
(714) 988-2411

Lockheed-California Company
Burbank, California 91520
(818) 847-6121

Lockheed-Georgia Company
Marietta, Georgia 30063
(404) 424-9411

Lockheed Electronics Company, Inc
Plainfield, New Jersey 07061
(201) 757-1600

Lockheed Missiles & Space Company, Inc
Sunnyvale, California 94086
(408) 742-4321

Lockheed Air Terminal, Inc
Burbank, California 91510
(818) 847-6121

Lockheed Shipbuilding Company
Seattle, Washington 98134
(206) 292-5656

Murdock Engineering Company
Irving, Texas 75061
(214) 255-0511

Lockheed Finance Corporation
Burbank, California 91505

Lockheed Aircraft International A G
Riyadh, Saudi Arabia

CADAM, Inc
Burbank, California 91504

DIALOG Information Services, Inc
Palo Alto, California 94304

Lockheed DataPlan, Inc
Los Gatos, California 95030

Lockheed Engineering and Management Services Co., Inc
Houston, Texas 77058

Lockheed Space Operations Company
Titusville, Florida 32780

Transfer Agent(s):

First Interstate Bank
P.O. Box 3667
Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York, Pacific, Amsterdam, London, Geneva, Lausanne, Zurich, Basel

Ticker Symbol: LK

Number of Employees:

1984	81,300	1981	71,300
1983	71,800	1980	74,600
1982	70,200		

Plant Footage:

1984	31,579,000 sq.ft.	1983	28,787,000

Sales and Earnings

	Net Sales + (000's)	Net Income † (000's)
1984	$ 8,113,400	$ 344,000
1983	6,490,300	263,000
1982	5,613,000	207,000
1981	5,176,000	(289,000)
1980	5,396,000	28,000

	No. of Com. Shares#	Earn. per Share ‡†
1984	64,850,000	$ 5.28
1983	62,370,000	4.18
1982	55,854,000	3.65
1981	48,471,000	—
1980	43,989,000	0.51

(Loss)
‡ Of continuing operations only.
† Including extraordinary gains of $23,000,000 in 1981.
# Adjusted to reflect stock split.
‡ Based on the weighted average number of shares of common stock outstanding and common stock issuable adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Missiles, space & elect. syst.	$ 3,883,000	$ 2,898,000
Aeronautical syst.:		
Aircraft & related serv.	3,334,000	2,671,000
Aerospace support	445,000	488,000
Marine & info. syst.	451,000	433,000
Total	$ 8,113,000	$ 6,490,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	3-for-1

Common Stock Equity

	Total Equity	Equity Per Share†
1984	$1,152,000,000	$ 17.76
1983	826,000,000	13.24
1982	418,000,000	7.48
1981	42,600,000‡	0.88
1980	306,000,000	6.96

† Adjusted to reflect stock split.
‡ After allowing for preferred stock at liquidation value.

Income Account *
(000's)

Year ended	12/30/84	12/25/83
Net sales	$ 8,113,400	$ 6,490,300
Cost of sales & exp.	7,463,900	5,962,900
Other expense (income)	1,600	(600)
Interest expense	62,000	66,200
Income before taxes	$ 585,900	$ 461,800
Income taxes	241,800	199,000
Net Income	$ 344,100	$ 262,800

* Included in Costs and Expenses, Depreciation and Amortization: $144,900,000 in 1984 and $112,200,000 in 1983.

Assets
(000's)

As of	12/30/84	12/25/83
Cash	$ 32,800	$ 45,700
Accts. receiv., net	1,013,500	872,900
*Inventories	866,000	881,900
Prepaid expenses	77,000	74,400
Current Assets	$ 1,989,300	$ 1,874,900
Investments	68,800	66,900
#Fixed assets	1,007,500	821,200
Other assets	100,000	66,600
Total Assets	$ 3,165,600	$ 2,829,600

Liabilities
(000's)

Short-term bank borrowings	$ 175,700	$ 66,100
Accts. payable	482,300	464,600
Customer advances	193,100	203,400
Retirement plan contrib.	72,200	65,100
Income taxes	17,900	15,200
Deferred inc. taxes	290,600	58,800
Accrued payroll	256,400	253,600
Other liabilities	270,700	268,700
Curr. Liabilities	$ 1,758,900	$ 1,395,500
Long-term debt	241,500	586,800
+ Redeemable preferred stock	13,300	21,100
+ Common stock	64,700	63,200
Add. paid-in capital	446,300	438,100
Retained earnings	640,900	324,900
Total Liabilities & Shareholders' Equity	$ 3,165,600	$ 2,829,600

* At lower of cost or estimated realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.22	7.12
%Net Income to Sales	4.24	4.05
%Net Income to Equity	29.87	31.82
Sales to Inventories	9.37	7.36
Working Capital	$ 230,400,000	$479,400,000
Current Ratio	1.13	1.34
Shareholders' Equity	$1,152,000,000	$826,000,000

LogEtronics Inc.

7001 Lorsdale Road
Springfield, Virginia 22150
(703) 971-1400

Officers: Gordon O.F. Johnson, chairman of the board; Gerald A. Nathe, president & chief executive officer; Charles N. Keating, Jr., senior vice president & chief staff officer; Martin F. Mose:, v.p.-finance & administration, chief financial officer & treasurer; Pete R. Gilbert, secretary; Gregory A. Maio, controller.

Directors: Gordon O.F. Johnson, chairman; Franklin S. Atwater, C.M. Baker, Jr., Ronald S. Johnson, Martin M. Rosen, W. Hardie Shepard, P. Bjarne Jensen, Gerald A. Nathe.

Areas of Work: Engaged in the development and manufacture of high quality graphic arts cameras and automatic film processors; also produces cathode-ray tube printers serving the medical radiography and aerial photography markets and computer imaging products and systems.

Subsidiaries:

LogE/Robertson, Inc
7001 Lorsdale Road
Springfield, Virginia 22150

LogEtronics AG
Industriestrasse 57
CH 8152 Glattbrugg, Switzerland

LogEtronics GmbH
Frankfurterstrasse 16-40
D-6236 Eschborn, West Germany

Luth International A/S of 1979 (50% owned)
Merkurvej 2
4200 Slagelse, Denmark

Photographic Corporation of America
7001 Lorsdale Road
Springfield, Virginia

LogE/Interpretation Systems Incorporated
420 South Fairview Avenue
Goleta, California 93117
Manufactures analog and digital image display and analysis systems primarily for the remote sensing, geophysical and related markets.

LogE/Spatial Data Systems, Inc
420 South Fairview Avenue
Goleta, California 93117
Manufactures a line of image display and analysis systems for use in industrial testing and inspection applications and for biomedical and scientific research.

LogE/Dunn Instruments, Inc.
544 South Second Street
San Francisco, California 94107

Manufactures cathode ray tube photographic recording systems for computer generated pictures in medical radiography, remote sensing and business graphics. A subsidiary of Dunn Systems, CompuSlide, Inc., manufactures and markets stand-alone computer systems to analyze and present business data in pictoral/graphic form.

LogEtec AG
LogEdisc, Inc.
Log E/Compulsive, Inc.
Dunn Instruments, Inc. International

Transfer Agent(s):

United Virginia Bank
900 East Main Street
Richmond, Virginia 23219

Stock Exchange(s): Over-the-Counter

Ticker Symbol: LOGE (NASDAQ)

Number of Employees:

1983	386	1980	355
1982	377	1979	406
1981	555		

Plant Footage:

1983	159,646 sq. ft.	1982	208,735

Sales and Earnings

	Net Sales	Net Income
1983	$ 34,689,000	$ (2,213,000)
1982	35,548,000	(2,635,000)
1981	31,957,000	1,904,000
1980	32,773,000	1,475,000
1979	30,642,000	1,141,000

	No. of Com. Shares	Earn. per Share ‡
1983	1,350,000	$ —
1982	1,350,000	—
1981	1,342,000	1.62
1980	1,169,000	1.27
1979	1,162,000	1.00

(Loss)
‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$ —	—	—
1982	—	—	—
1981	0.20	—	—
1980	0.20	—	—
1979	0.20	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 10,779,000	$ 7.98
1982	13,824,000	10.24
1981	16,846,000	12.56
1980	13,047,000	11.16
1979	11,727,000	10.09

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 34,689	$ 35,548
Other income	281	238
Total income	$ 34,970	$ 35,786
Cost of sales	24,339	24,751
Expenses	11,917	11,659
Prov. for mfr. shutdown	—	2,050
Interest expense	1,145	1,291
Loss before taxes	$ (2,431)	$ (3,965)
Income taxes (credit)	120	(1,176)
Eq. in inc. of unconsol. co.	(338)	(154)
Net Loss	$ (2,213)	$ (2,635)

* Included in Costs and Expenses, Depreciation and Amortization: $664,000 in 1983 and $739,000 in 1982.

Assets
(000's)

As of Dec. 31	1983	1982
Cash & cash equivalents	$ 152	$ 239
Accts. receiv., net	8,697	6,455
*Inventories	11,277	9,688
Refund. inc. taxes	44	1,421
Prepaid inc. taxes	243	124
Other assets	139	207
Current Assets	$ 20,552	$ 18,134
#Fixed Assets	2,031	2,143
Other assets	7,010	7,361
Total Assets	$ 29,593	$ 27,638

Liabilities
(000's)

	1983	1982
Long-term debt, curr.	$ 146	$ 1,300
Notes payable	6,119	3,412
Accts. payable	3,638	2,270
Accruals	2,354	2,173
Income taxes	52	31
Curr. Liabilities	$ 12,309	$ 9,186
Mortgage note	2,478	—
Lease oblig.	89	750
Long-term debt	3,914	3,794
Other liab.	10	4
Def. inc. taxes	14	80
+ Common stock	251	251
Add. paid-in capital	7,930	7,930
Retained earnings	5,044	7,257
Treasury stock	(1,232)	(1,232)
Invest. in PBI holdings	(533)	—
Cum. trans. adjust.	(661)	(382)
Total Liabilities & Shareholders' Equity	$ 29,593	$ 27,638

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.16⅔ par value.

Statistical Summary

	1983	1982
Sales to Inventories	3.08	3.67
Working Capital	$ 8,243,000	$ 8,948,000
Current Ratio	1.67	1.97
Shareholders' Equity	$10,779,000	$13,824,000

Logicon, Inc.

3701 Skypark Drive
Torrance, California 90505
(213) 373-0220

Officers: John R. Woodhull, president & chief exec. officer; Robert G. Walden, sr. v.p. & chief financial officer; James D. Hogan, sr. v.p.; Donald L. Farr, Frank T. Cummings, Hugh E. Beatty, Richard J. McGrath, E. Teague Richmond, James P. Brown, Albert L. Latter, v.p.'s; Ralph L. Webster, v.p. & controller; James R. Edwards, secretary & general counsel.

Directors: John R. Woodhull*, James D. Hogan*, John Z. Brigden, W. Edgar Jessup, Jr., Robert S. Dickerman, John R. Johnson, Roland R. Speers, Albert L. Latter*

* Member of the Executive Committee.

Areas of Work: Provides electronic systems, analysis of military operations, research in the physical sciences and related professional services to industry and government.

Divisions:

Strategic and Information Systems Division
255 West Fifth Street
San Pedro, California 90731
(213) 831-0611

Tactical and Training Systems Division
Sorrento Valley Boulevard
San Diego, California 92121
(714) 455-1330

Operating Systems Division
Fairfax, Virginia

R & D Associates
Marina del Ray, California

Transfer Agent(s):

First Interstate Bank of California
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): New York

Ticker Symbol: LGN

Number of Employees:

1984	2,100	1981	1,072
1983	1,500	1980	975
1982	990		

Plant Footage:

1984	N.A.	1981	265,000
1983	470,000 sq. ft.	1980	250,000
1982	300,000		

N.A. - Not Available

Sales and Earnings

	Revenues †	Net Income
1985	$ 168,256,000	$ 8,247,000
1984	128,033,000	5,876,000
1983	103,306,000	4,402,000
1982	83,344,000	3,133,000
1981	76,516,000	2,716,000

	No. of Com. Shares ‡	Earn. per Share +
1985	4,486,000	$ 1.79
1984	4,368,000	1.28
1983	4,296,000	1.00
1982	4,235,000	0.72
1981	4,167,000	0.64

† Of continuing operations only.
‡ Adjusted to reflect stock splits.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.19	—	—
1984	0.153	—	3-for-2
1983	0.133	—	—
1982	0.117	—	2-for-1
1981	0.067	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 41,178,000	$ 9.18
1984	32,659,000	7.48
1983	26,765,000	6.23
1982	22,188,000	5.24
1981	19,159,000	4.60

+ Adjusted to reflect stock splits.

Income Account *

Year ended March 31	1985	1984
Services & products	$ 165,966,000	$ 126,514,000
Interest	2,290,000	1,519,000

Logicon, Inc.

Total Income	$ 168,256,000	$ 128,033,000
Cost of services & products	140,177,000	105,898,000
Expenses	11,729,000	10,416,000
Income before taxes	$ 16,350,000	$ 11,719,000
Income taxes	8,103,000	5,843,000
Net Income	$ 8,247,000	$ 5,876,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,195,000 in 1985 and $1,030,000 in 1984.

Assets

As of March 31	1985	1984
Cash	$ 1,866,000	$ 1,577,000
Short-term invest.	22,872,000	18,504,000
Accts. receiv., net	33,082,000	28,178,000
Prepaid expenses	1,041,000	979,000
Current Assets	$ 58,861,000	$ 49,238,000
#Fixed assets	3,292,000	2,892,000
Total Assets	$ 62,153,000	$ 52,130,000

Liabilities

Accts. payable	$ 5,567,000	$ 4,859,000
Accrued payroll	10,672,000	10,053,000
Income taxes	4,736,000	3,679,000
Curr. Liabilities	$ 20,975,000	$ 18,591,000
Deferred compensation	—	880,000
+ Common stock	449,000	437,000
Add. paid-in capital	5,171,000	4,097,000
Retained earnings	35,619,000	28,219,000
Unearned compensation	(61,000)	(94,000)
Total Liabilities & Shareholders' Equity	$ 62,153,000	$ 52,130,000

Less accumulated depreciation and amortization.
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	9.85	9.26
%Net Income to Sales	4.97	4.64
%Net Income to Equity	20.03	17.99
Working Capital	$37,886,000	$30,647,000
Current Ratio	2.81	2.65
Shareholders' Equity	$41,178,000	$32,659,000

LogiMetrics, Inc.

121-03 duPont Street
Plainview, New York 11803
(516) 349-1700

Officers: Murray H. Feigenbaum, chairman & president; Jerome Deutsch, exec. v.p.; George Rabin, v.p.-manufacturing; Inam U. Hague, Eugene Blum, v.p.'s; Peter Gersheimer, treasurer; Barbara Divack, secretary.

Directors: Murray H. Feigenbaum, Alfred Mendelsohn, Jerome Deutsch, Ralph Wertheimer, George Rabin.

Areas of Work: Engaged in the development and manufacture and sale of traveling wave tube amplifiers, radio frequency signal generators, and complete electronic test systems.

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	66	1982	47
1983	47		

Plant Footage:

1984	20,000 sq. ft.	1982	10,000
1983	18,000		

Sales and Earnings

	Net Sales	Net Income #
1984	$ 6,890,042	$ 130,282
1983	4,863,799	187,045
1982	2,798,272	(570,541)
1981	3,883,010	126,358
1980	3,368,368	120,984

	No. of Com. Shares +	Earn. per Share ‡ #
1984	1,489,562	$ 0.07
1983	1,246,362	0.11
1982	1,243,062	—
1981	703,062	0.18
1980	689,562	0.17

(Loss)
+ Class A and Class B common shares combined.
‡ Based on the weighted average number of Class A and Class B common shares combined.
# Including extraordinary gains of $68,000 ($0.04 per share) in 1984 and $73,900 ($0.04 per share) in 1983.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 1,907,857	$ 1.28
1983	1,529,375	1.23
1982	1,339,030	1.08
1981	1,159,194	1.65
1980	1,028,461	1.49

‡ Based on Class A and Class B common shares combined.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 6,890,042	$ 4,863,799
Cost of sales	4,826,200	3,397,663
Expenses	1,729,855	1,279,091
Pre. oper. loss of subsid.	301,705	—
Minority interest	(98,000)	—
Income before taxes	$ 130,282	$ 187,045
Income taxes	68,000	73,900
Net Income	$ 62,282	$ 113,145
Extraord. gain	68,000	73,900
Net Income & extraord. gain	$ 130,282	$ 187,045

* Included in Costs and Expenses, Depreciation and Amortization: $122,471 in 1984 and $77,890 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 95,958	$ 36,124
Accts. receiv., net	4,086,184	2,581,964
*Inventories	1,394,372	924,495
Prepaid exp. & other assets	139,351	38,604
Current Assets	$ 5,715,865	$ 3,581,187
#Fixed assets	627,418	485,016
Other assets	459,874	33,384
Intangibles	5,454	6,521
Total Assets	$ 6,808,611	$ 4,106,108

Liabilities

Short-term borr.	$ 1,451,055	$ 350,000
Accts. payable & accruals	2,127,943	852,876
Cap. lease oblig., curr.	56,734	38,017
Curr. Liabilities	$ 3,635,732	$ 1,240,893
Subord. note pay.	1,182,649	1,119,148
Accrued interest	—	120,504
Cap. lease oblig.	82,373	96,118
+ Common Stock Class A	128,956	104,636
Class B	20,000	20,000
Add. paid-in capital	2,050,110	1,826,230
Deficit	(291,209)	(421,491)
Total Liabilities & Shareholders' Equity	$ 6,808,611	$ 4,106,108

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.89	3.85
%Net Income to Sales	0.90	2.33
%Net Income to Equity	3.26	7.40
Sales to Inventories	4.94	5.26
Working Capital	$2,080,133	$2,340,294
Current Ratio	1.57	2.89
Shareholders' Equity	$1,907,857	$1,529,375

Loral Corporation

600 Third Avenue
New York, New York 10016
(212) 697-1105

Officers: Bernard L. Schwartz, chairman of the board & chief executive officer; Frank C. Lanza, president & chief operating officer; Michael P. DeBlasio, sr. v.p.-finance; Stephen L. Jackson, v.p.-administration; Robert V. LaPenta, v.p. & controller; Michael B. Targoff, v.p., gen. counsel & secretary; Harold Penn, treasurer; William A. Bourke, sr. v.p. & chairman-Narda Microwave Corp.; Jack Davis, v.p. & president-Loral Electro-Optical Systems; Harry Emerzian, group v.p.-Microwave; Robert Welte, v.p. & president-Loral Electronic Systems; Bonnie A. Ross, asst. secretary; William F. Gates, v.p. & president-Loral Randtron Systems.

Directors: Bernard L. Schwartz*, chairman; Homer Chapin, Robert B. Hodes*, Gershon Kekst*, E. Donald Shapiro, Allen Shinn, Malvin Ruderman, Frank C. Lanza, Daniel Yankelovich.

* Member of the Executive Committee.

Areas of Work: Designs, develops, and manufactures defense electronic systems including electronic countermeasures, surveillance and reconnaissance; also manufactures communications systems, UHF and VHF transceivers and teletypewriters, fabricates precision optical and navigation equipment from beryllium for satellite, missile and aircraft applications; and designs molds and decorates plastic packaging for consumer products.

Divisions and Subsidiaries:

Loral Electronic Systems
Ridge Hill
Yonkers, New York 10710
(914) 968-2500

Develops and manufactures airborne radar warning receivers, self-protection systems, electronic surveillance systems, targeting systems, electronic environment simulators.

Loral Data Systems/Conic
9020 Balboa Avenue
San Diego, California 92123
(714) 279-0411

Supplies telemetry equipment for military applications.

Frequency Sources, Inc.—East
16 Maple Road
Chelmsford, MA 01824
(617) 256-4113

Frequency Sources, Inc.—West
3140 Alfred Street
Santa Clara, CA 95050
(408) 727-8500

Loral Randtron
130 Constitution Drive
Menlo Park, CA 94025
(415) 326-9500

Loral International Group
Windsor House
83 Kingsway
London WC2B 6SD
Systems design and foreign marketing.

Loral Electro-Optical Systems
P.O. Box 7101
300 North Halstead Street
Pasadena, California 01109
(818) 351-3555
Infrared countermeasures, laser-based simulation systems for training, space systems.

Loral Instrumentation
8401 Aero Drive
San Diego, California 92123
(619) 560-6260
Data acquisition and analysis systems for real time applications.

Loral Information Display Systems
6765 Peachtree Industrial Boulevard
Atlanta, Georgia 30360
(404) 448-1604
Information and graphic display systems.

Narda Microwave
435 Moreland Road
Hauppauge, New York 11788
(516) 231-1700
Passive and active microwave components, integrated microwave assemblies, test equipment.

Narda Microwave Western Operation
214 Devcon Drive
San Jose, California 95112
(408) 995-0600
Passive and active microwave components, GaAs FET semiconductors, integrated assemblies.

Frequency Sources
16 Maple Road
Chelmsford, Massachusetts 01824
(617) 256-4113
Passive and active microwave components, specialized semiconductors, integrated assemblies.

Loral Advanced Technology Labs
5001-G Forbes Boulevard
Washington Business Park
Lanham, Maryland 20706
(301) 459-8240
Advanced microwave integrated circuit research.

Loral Terracom
9020 Balboa Avenue
San Diego, California 92123
(619) 278-4100
Microwave communications and radio equipment.

Southcom Loral
2210 Meyers Avenue
P.O. Box 2236
Escondido, California 92025
(619) 746-1141
Single sideband high-frequency radios and field terminals.

Loral American Beryllium
P.O. Box 117
1600 Tallevast Road
Tallevast, Florida 33588
(813) 355-5105
Precision-machined exotic metals for aerospace and energy applications.

Loral Hycor
Woburn, Massachusetts

Wavecom
Northridge, California

Transfer Agent(s):

The First Jersey National Bank
Jersey City, New Jersey

Stock Exchange(s): New York

Ticker Symbol: LOR

Number of Employees:

1984	N.A.	1982	N.A.
1983	6,000	1981	4,100

N.A. - Not available.

Sales and Earnings

	Net Sales	Net Income
1985	$ 502,287,000	$ 42,052,000
1984	418,340,000	33,893,000
1983	310,061,000	26,536,000
1982	281,922,000	26,009,000
1981	237,901,000	22,498,000

	No. of Com. Shares ‡	Earn. per Share ×
1985	23,355,000	$ 1.79
1984	23,104,000	1.45
1983	22,517,000	1.16
1982	22,261,000	1.15
1981	22,035,000	1.01

‡ Adjusted to reflect stock split.
× Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1985	1984
Electronic warfare	$ 438,156	$ 356,961
Electronic communications	33,093	34,744
Others	31,038	26,635
Total	$ 502,287	$ 418,340

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.48	—	—
1984	0.44	—	2-for-1
1983	0.40	—	—
1982	0.36	—	—
1981	0.36	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 260,115,000	$ 11.14
1984	224,946,000	9.74
1983	193,318,000	8.59
1982	172,610,000	7.75
1981	151,685,000	6.88

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended March 31	1985	1984
Net sales	$ 502,287	$ 418,340
Cost of sales & expenses	435,657	361,566
Interest income	(7,656)	(6,382)
Interest expense	3,012	3,692
Income before taxes	$ 71,274	$ 59,464
Income taxes	29,222	25,571
Net Income	$ 42,052	$ 33,893

* Included in Costs and Expenses, Depreciation and Amortization: $17,992,000 in 1985 and $14,423,000 in 1984.

Assets
(000's)

As of March 31	1985	1984
Cash & market. secur.	$ 48,293	$ 39,674
Accts. receiv.	79,660	74,237
Unbilled contract receiv.	36,697	21,696
*Inventories	108,774	94,733
Other curr. assets	4,058	3,089
Current Assets	$ 277,482	$ 233,429
Marketable securities	26,089	27,303
#Fixed assets	144,201	119,182
Intangibles	43,366	32,913
Total Assets	$ 491,138	$ 412,827

Liabilities
(000's)

Contract advances	$ 17,568	$ 13,980
Notes payable	1,113	464
Accts. payable	44,486	40,620
Salaries & wages	19,768	17,434
Income taxes	70,278	39,152
Other liab.	15,586	13,379
Curr. Liabilities	$ 168,799	$ 125,029
Long term debt	32,408	32,325
Deferred inc. taxes	29,816	30,527
+ Common stock	5,885	5,818
Add. paid-in capital	104,070	98,581
Retained earnings	156,755	125,634
Treasury stock	(4,674)	(4,380)
Unreal. loss on market. secur.	(1,921)	(707)
Total Liabilities & Shareholders' Equity	$ 491,138	$ 412,827

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.19	14.21
%Net Income to Sales	8.37	8.10
%Net Income to Equity	16.17	15.07
Sales to Inventories	4.62	4.42
Working Capital	$108,683,000	$108,400,000
Current Ratio	1.64	1.87
Shareholders' Equity	$260,115,000	$224,946,000

The LTV Corporation

LTV Center
2001 Ross Avenue
P.O. Box 225003
Dallas, Texas 75265
(214) 742-9555

Officers: Raymond A. Hay, chairman of the board & chief exec. officer; Sheldon M. Lambert, sr. v.p.-corp. planning; Walter E. Meyer, sr. v.p.-personnel; James J. Paulos, exec. v.p.; Julian Scheer, sr. v.p.-corporate affairs; G. Emmett Smith, sr. v.p. & general counsel & secretary; Lee A. Drake, group v.p., president & chief executive-LTV Energy Products Co.; Thomas C. Graham, group v.p.-Jones & Laughlin Steel Corporation; Robert L. Kirk, group v.p., president & chief executive-LTV Aerospace & Defense Co.; David H. Hoag, group v.p., president & chief executive-LTV Steel Co.; James F. Powers, v.p. & treasurer; John W. Johnson, v.p.-advertising; John K. Meagher, v.p.-government relations; Robert L. Guyett, v.p. & controller.

Directors: Raymond A. Hay*, chairman; William H. Bricker*, Albert V. Casey*, Russell De Young*, John J. Elmore, Maurice F. Granville, Edward C. Joullian, III*, Charles P. Lykes*, Howard W. McCall, Jr. James M. Roche, A. Bronson Thayer, John G. Breen, Roy H. Holdt, James R. Kerr.

* Member of the Executive Committee.

Areas of Work: A multi-industry operating company involved in steel, aerospace/defense and energy products. It is a primary supplier of steel products to the automotive, appliance and construction industries; missiles, aircraft components, tactical wheeled vehicles and electronics to the defense & commercial aerospace markets, and tubular products, oil field supplies, and drilling and production equipment to the petroleum industry.

Divisions and Subsidiaries:

Vought Corporation
(formerly LTV Aerospace Corporation)
P.O. Box 5907
Dallas, Texas 75222
(214) 742-9555
Primarily engaged in the design, development and production of military aircraft, commercial aircraft components, missiles, space launch vehicles and other aerospace products, and in furnishing related administrative and technical support services. Also engaged in the research, design, and development of surface transportation systems.

The LTV Corporation

Jones & Laughlin Steel Corporation
3 Gateway Center
Pittsburgh, Pennsylvania 15263
(412) 565-3240

Fully integrated steel producer offering diversified line of carbon steel products which includes hot and cold rolled sheet, tin mill and other flat rolled coated products, hot rolled and cold finished bars, tubular products, light plated and structural shapes and rod and wire products. Youngstown Sheet & Tube Company operations complement those of Jones & Laughlin.

Continental-Emsco Company

Product line includes a complete range of drilling equipment such as derricks, drawworks, mud pumps, swivels, blocks, rotary machines and other complementary equipment for land-based and offshore rigs, surface and subsurface production equipment and slurry pumping equipment. Also manufactures marine transfer systems used to load and unload large volumes of petroleum products to and from oil tankers.

LTV Steel Company
LTV Aerospace & Defense Company
LTV Energy Products Company

Acquisition(s):

Sierra Research Corporation
247 Cayuga Road
Buffalo, New York 14225
(716) 631-6200

Designs, develops, and manufactures highly advanced computer-controlled electronic systems for a wide range of applications in both government and industry, including radar, data transmission, aircraft navigation, factory data collection.

Transfer Agent(s):

Mercantile National Bank at Dallas
P.O. Box 225415
Dallas, Texas 75265

Stock Exchange(s): New York, Pacific

Ticker Symbol: LTV

Number of Employees:

1984	N.A.*	1981	53,000
1983	37,300	1980	54,000
1982	30,600		

*N.A. - Not Available

Sales and Earnings

	Net Sales † (000's)	Net Income + (000's)
1984	$ 7,046,100	$ (378,200)
1983	4,577,800	(180,700)
1982	4,776,800	(154,900)
1981	7,053,700	386,300
1980	5,330,200	127,900

	No. of Com. Shares	Earn. per Share + ‡
1984	83,186,066	$ —
1983	54,648,950	—
1982	49,020,212	—
1981	48,188,594	7.97
1980	35,792,803	3.95

(Loss)
† Of continuing operations only.
+ Including extraordinary gain of $23,400,000 ($0.45 per share) in 1983.
‡ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Steel	$ 4,521,500	$ 2,935,300
Energy prods. & serv.	647,000	500,700
Aerospace	1,952,900	1,141,800
Interseg. eliminations	(75,300)	—
Total	$ 7,046,100	$ 4,577,800

Common Stock Equity

	Total Equity +	Equity Per Share
1984	$1,354,600,000	$ 12.87
1983	1,135,400,000	17.75
1982	1,115,100,000	22.23
1981	1,284,700,000	25.95
1980	804,600,000	18.47

+ After allowing for preferred stock at par values.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales & revenues	$ 7,046,100	$ 4,557,800
Cost of sales	6,606,100	4,397,600
Expenses	443,600	282,900
Depreciation & amortization	194,000	110,100
Int. & debt discount	250,600	154,900
Int. & other income	(42,600)	(115,900)
Loss bef. taxes	$ (405,600)	$ (251,800)
Tax credit	(27,400)	(13,500)
Loss from cont. oper.	$ (378,200)	$ (238,300)
Inc. from discont. oper.	—	34,200
Net Loss	$ (378,200)	$ (204,100)
Extraord. gain	—	23,400
Net Loss & extraord. gain	$ (378,200)	$ (180,700)

Assets
(000's)

As of Dec. 31	1984	1983
Cash & temp. invest.	$ 52,800	$ 54,800
Receivables-net	931,200	716,500
*Inventories	1,562,300	1,051,100
Other	143,900	25,400
Current Assets	$ 2,690,200	$ 1,847,800
Investments & other assets	733,500	471,000
#Fixed assets	3,502,300	2,087,500
Total Assets	$ 6,926,000	$ 4,406,300

Liabilities
(000's)

	1984	1983
Notes payable	$ 287,700	$ 37,600
Long-term debt & cap. lease oblig., curr.	141,900	46,900
Accts. payable	740,900	615,600
Accrued liabilities	909,000	558,200
Income taxes	34,200	52,100
Curr. Liabilities	$ 2,113,700	$ 1,310,400
Long-term debt	2,226,900	1,560,200
Emp. comp. & benefits	667,500	297,300
Other liab.	454,200	75,600
+ Series A & Series C preferred stock-mandatory redemp.	97,500	20,800
+ + Series B pref. stock	6,000	6,000
+ + + Series D pref. stock	5,400	—
+ + + + Series 1 preference stock	—	400
+ + + + + Class AA special stock	200	200
+ + + + + + Common stock	41,600	27,300
Add. paid-in capital	1,539,700	844,500
Retained earnings (deficit)	(131,800)	283,300
Exc. of redemp. value over par Series A & Series C pref.	(94,900)	(19,700)
Total Liabilities & Shareholders Equity	$ 6,926,000	$ 4,406,300

* At cost (LIFO) which is lower than market value.
# Less accumulated depreciation
+ $5 par value: $5 cumulative—Series A; $5.25 par value, $5.25 cumulative—Series C.
+ + $1 par value, 3.06% cumulative.
+ + + $1 par value, $5 cumulative.
+ + + + $0.50 par value; dividends equal 110% of cash dividends declared.
+ + + + + $0.50 par value, 3% cumulative.
+ + + + + + $0.50 par value.

Statistical Summary

Working Capital	$ 576,500,000	$ 537,400,000
Current Ratio	1.27	1.41
Shareholders' Equity	$1,366,200,000	$1,142,000,000

Lundy Electronics & Systems, Inc.

One Robert Lane
Glen Head, New York 11545
(516) 671-9000

Officers: David Seltzer, acting president; Joseph H. Thomas, v.p.-data entry operations; Morgan E. Death, v.p. & gen. mgr.-computer graphics; Robert Tripp, v.p.-data entry marketing; J.E. Duquette, v.p-operations; James E. Henning, v.p. and gen. mgr.-Lundy Technical Center; J. Robert Davis v.p.-sales Rose Clayton, secretary.

Directors: David Seltzer, Warren Haber, Richard Schineller, Leo Silverstein.

Areas of Work: Engaged in the development of defense systems such as electronic countermeasures and penetration aids for both aircraft and missiles. Produces computer peripheral banking systems, teller terminal systems, computer graphics display equipment, Optical Character Recognition (OCR) page and document readers, and MICR (Magnetic Ink Character Recognition) data entry systems.

Divisions:

Defense Systems Division
Lundy Technical Center
3901 N.E. 12th Avenue
Pompano Beach, Florida 33064
(305) 943-1500

Lundy-Farrington Division
5535 Wilkinson Boulevard
Charlotte, North Carolina 28208
(704) 394-1161

Subsidiaries:

Lundy-Farrington Ltd.
18 Ordnance Row
Portsmouth, Hampshire
PO 13DN, England

Transfer Agent(s):

American Stock Transfer
99 Wall Street
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: LDY

Number of Employees:

1984	700	1981	600
1983	700	1980	500
1982	600		

Plant Footage:

1984	278,000 sq. ft.	1981	278,000
1983	278,000	1980	121,000
1982	278,000		

Sales and Earnings

	Net Sales †	Net Income
1984	$ 42,708,375	$ 909,697
1983	34,526,678	1,486,590
1982	28,053,640	1,165,056
1981	24,169,431	826,126
1980	20,710,156	2,566,106

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,262,000	$ 0.40
1983	2,023,000	0.81
1982	1,269,000	1.00
1981	1,065,000	0.78
1980	872,296	2.94

† Of continuing operations only; includes revenues.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Countermeasures & other defense products	$ 9,874,853	$ 6,284,078
Data entry products	32,833,522	28,242,600
Total	$ 42,708,375	$ 34,526,678

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 24,187,219	$ 10.69
1983	23,546,980	11.64
1982	10,846,743	8.55
1981	9,731,280	9.14
1980	6,142,650	7.04

‡ Based on the average number of shares outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales & revenues	$ 42,708,375	$ 34,526,678
Cost of sales	30,978,239	24,314,315
Expenses	9,807,520	7,375,703
Oper. profit	$ 1,922,616	$ 2,836,660
Interest income	(471,861)	(396,635)
Interest expense	974,780	1,021,705
Litigation settlement	135,000	—
Income before taxes	$ 1,284,697	$ 2,211,590
Income taxes	375,000	725,000
Net Income	$ 909,697	$ 1,486,590

* Included in Costs and Expenses, Depreciation and Amortization: $1,199,779 in 1984 and $964,660 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 744,102	$ 444,157
Marketable securities	862,156	6,226,258
Accts. receiv., net	12,315,324	7,856,878
Inventories	16,337,184	10,076,506
Prepaid expenses	44,275	143,452
Other	251,911	328,639
Current Assets	$ 30,554,952	$ 25,075,890
Rental equip.	191,003	311,758
#Fixed assets	7,956,177	7,381,639
Other assets	597,622	581,035
Total Assets	$ 39,299,754	$ 33,350,322

Liabilities

	1984	1983
Long-term debt,curr.	$ 851,981	$ 572,267
Accts. payable	4,035,706	2,013,547
Accruals	1,969,366	1,668,055
Curr. Liabilities	$ 6,857,053	$ 4,253,869
Long-term debt	7,403,264	4,984,275
Deferred income taxes	761,047	454,453
Other liabilities	91,171	110,745
+ Common stock	230,284	225,381
Add. paid-in capital	17,314,070	16,791,212
Retained earnings	7,687,798	6,778,101
Foreign curr. transla.	(309,933)	(247,714)
Treasury stock	(735,000)	—
Total Liabilities & Shareholders' Equity	$ 39,299,754	$ 33,350,322

Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales & Revenues	3.01	6.41
%Net Income to Sales & Revenues	2.13	4.31
%Net Income to Equity	3.76	6.31
Working Capital	$23,697,899	$20,822,021
Current Ratio	4.46	5.94
Shareholders' Equity	$24,187,219	$23,546,980

Lynch Communication Systems, Inc.

(24% owned by CIT Alcatel S.A. of Paris, France)

204 Edison Way
Reno, Nevada 89520
(702) 786-4020

Officers: E.F. Dertinger, chairman of the board & chief executive officer; J.H. Vogt, president & chief operating officer; J.K. Griffith, v.p.-far East operations; J.W. Walters, v.p.-corporate marketing; J.B. Sanders, exec. v.p. & treasurer; R.S. Boreri, sr. v.p.; C.L. Stanco, secretary.

Directors: E.F. Dertinger*, Stuart M. Beringer, T.G. Edwards, J.H. Vogt, James B. Surpless*, Paul B. Wineman, J.B. Sanders, W.C. Schweizer*, Hubert L. Kertz, F.H. de Laage de Meax, G. Magnan, C.P. Fayard, R. Hono.

*Member of the Executive Committee.

Areas of Work: Designs and manufactures telephone, carrier communication systems, related equipment, and accessories for use by telephone operating companies.

Subsidiaries:

Lynch Communication Systems Inc. (Nevada)
204 Edison Way
Reno, Nevada 89520
(702) 786-4020

Transcom Electronics, Inc.
1170 East Main Road
Portsmouth, Rhode Island 02871
(401) 683-3000

Transcom Electronics Manufacturing, Ltd.
239 Belanger Street
St. Jerme, Quebec, Canada J7Y 1K7
(514) 438-1060

Lynch Communication Systems International Inc.
204 Edison Way
Reno, Nevada 89520

Lynch Circuits Inc.
1140 West Evelyn Avenue
Sunnyvale, California 94086
(415) 965-1375

Tailyn Communications Company, Ltd.
(40% equity interest)
Manufactures, markets and installs electronic telecommunication equipment.

Transfer Agent(s):

Fleet National Bank
Stock Transfer Department
P.O. Box 366
Providence, Rhode Island 02901

Stock Exchange(s): American

Ticker Symbol: LYC

Sales and Earnings

	Net Sales	Net Income
1984	$ 88,659,000	$ 5,766,000
1983	58,772,000	1,964,000
1982	54,891,000	(1,312,000)
1981	47,353,000	529,000
1980	39,499,000	(2,580,000)

	No. of Com. Shares	Earn. per Share ‡
1984	4,182,740	$ 1.85
1983	2,794,052	0.70
1982	2,787,897	—
1981	2,780,472	0.25
1980	1,910,332	—

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.125	—	—
1983	0.10	—	—
1982	0.10	—	—
1981	0.10	—	—
1980	0.25	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 61,442,000	$ 14.69
1983	28,587,000	10.17
1982	26,873,000	9.64
1981	28,321,000	• 10.19
1980	14,410,000	7.54

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 88,659,000	$ 58,772,265
Cost of sales	61,476,000	41,656,183
Res. & develop. costs	4,977,000	2,971,960
Expenses	12,381,000	10,564,229
Interest expense	2,074,000	1,401,838
Other income	(1,778,000)	(1,196,379)
Non-recurr. benefit for discont. prod. line	(657,000)	—
Income before taxes	$ 10,186,000	$ 3,374,343
Income taxes	4,420,000	1,410,153
Net Income	$ 5,766,000	$ 1,964,281

* Included in Costs and Expenses, Depreciation: $2,130,000 in 1984 and $1,484,630 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 20,526,000	$ 7,213,691
Accts. receiv., net	22,410,000	13,831,100
*Inventories	29,458,000	13,575,340
Prepaid expenses	223,000	224,436
Deferred inc. taxes	1,959,000	1,931,582
Current Assets	$ 74,576,000	$ 36,776,149
#Fixed assets	16,924,000	13,679,039
Invest. in unconsol. affil.	1,345,000	857,333
Other assets	812,000	1,619,334
Total Assets	$ 93,657,000	$ 52,931,855

Liabilities

	1984	1983
Long-term debt, curr.	$ 788,000	$ 597,964
Accts. payable	6,683,000	3,223,680
Accrued compensation	2,782,000	1,988,314
Accrued pension contributions	1,010,000	566,662
Income taxes	1,621,000	—
Prov. for discont. prod. line	567,000	1,073,931
Other accrued expenses	3,248,000	1,155,771
Curr. Liabilities	$ 16,699,000	$ 8,606,322
Long-term debt	14,568,000	14,318,187
Special retirement plans	100,000	109,396
Deferred inc. taxes	848,000	1,310,769
+ Common stock	4,426,000	3,042,106
Add. paid-in capital	42,996,000	16,940,087
Retained earnings	16,542,000	11,093,068
Trans. adjust.	(182,000)	(106,948)
Treasury stock	(2,340,000)	(2,381,132)
Total Liabilities & Shareholders' Equity	$ 93,657,000	$ 52,931,855

* At lower of average cost or market.
# Less accumulated depreciation
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.49	5.74
%Net Income to Sales	6.50	3.34
%Net Income to Equity	9.38	6.87
Sales to Inventories	3.01	4.33
Working Capital	$57,877,000	$28,169,827
Current Ratio	4.47	4.27
Shareholders' Equity	$61,442,000	$28,587,181

M/A-COM, Inc.

South Avenue
Burlington, Massachusetts 01803
(617) 272-9600

Officers: Richard T. DiBona, chairman, president & chief executive officer; Frank Drendel, John G. Puente, vice chairmen; Joseph C. Bothwell, Jr., sr. v.p.-corporate development; Hugh E. Bradshaw, sr. v.p., secretary & corp. counsel; Frank A. Brand, exec. v.p. & chief operating officer; Diane Calagione, Richard B. Hart, asst. secretaries & asst. corporate counsels; Paul F. Brauneis, v.p. & comptroller; Thomas F. Burke, exec. v.p.-finance and administration; Irwin Mark Jacobs, exec. v.p.; George W. McPhee, asst. treasurer; Irving J. Helman, clerk.

Directors: Vessarios Chigas, Irving J. Helman, Nelson S. Gifford, Irwin Mark Jacobs, George N. Hutton, Jr., George Ingram, Jr., Richard T. DiBona, S. Sidney Kahn, Thomas F. Burke, Robert E. LaBlanc, William F. Pounds, John G. Puente, James D. Meindl, E. James Morton.

Areas of Work: Manufactures microwave components parts, subassemblies and all solid-state microwave relay equipment for radar, electronic countermeasures and telecommunication markets, and engages in related research and development. Digital satellite equipment and products for fiber optics transmission systems.

Divisions and Subsidiaries:

Components Products

M/A-COM Semiconductor Division
M/A-COM PHI, Inc.
M/A-COM Laser Diode, Inc.
M/A-COM Semiconductor Products, Inc.

Silicon material, silicon and gallium arsenide microwave diodes, low-noise transistors, high-power transistors and amplifiers, optical materials, light emitting diodes, laser diodes, optical detectors and optical subsystems.

M/A-COM Components Division
M/A-COM Omni-Spectra, Inc.
M/A-COM Microwave Components, Inc.

Microwave connectors, cable assemblies and passive components; including ferrites, tubes, transmission and high-power control components.

M/A-COM Subsystems Division
M/A-COM OSW, Inc.
M/A-COM MPD, Inc.
M/A-COM Microwave Circuits, Inc.
Microkim, Ltd.

Broadband microwave amplifiers, oscillators and subsystems, high power R.F. and microwave amplifiers, transmitters and subsystems, microwave integrated multifunction assemblies and subsystems.

Components Support Operations
M/A-COM Components Marketing, Inc.

Worldwide field marketing of components.

M/A-COM Technology Center

Development of advanced microwave technology systems and high frequency millimeter wave sources, components and subsystems.

M/A-COM Center for Advanced Semiconductors

Research, design, development and production of gallium arsenide materials, field effect transistors, integrated analog and digital circuits.

Cable/Home Communications

M/A-COM Cable/Home Communications Division

M/A-COM Comm/Scoper, Inc.
M/A-COM Prodelin, Inc.
M/A-COM Cable/Home Marketing

Coaxial cable for CATV and Local Area Networks, Home TVRO and DBS antennas, earth stations and associated electronic equipment.

M/A-COM MAC Division

Video and voice microwave transmission systems, including Electronic News Gathering, point-to-point and multipoint analog and digital transmission equipment.

Integrated Digital Communications Business Segment

M/A-COM DCC Inc.

Digital communications equipment and software for satellite and terrestrial communications, data and lightwave communications, network systems design, sales and services.

M/A-COM LINKABIT Division
M/A-COM Alanthus, Inc.
M/A-COM Sigma Data, Inc.
M/A-COM Service Corporation

National, single source of mini and microcomputer systems, terminals and data communication equipment including financing, maintenance, software services, facility management and training.

M/A-COM Development Corporation

Management of strategic investments, research and development of long-term projects, government policy and telecommunications standards review.

Transfer Agent(s):

Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): New York, Boston

Ticker Symbol: MAI

Number of Employees:

1984	10,541	1981	7,844
1983	9,508	1980	6,978
1982	8,739		

Plant Footage:

1984	3,695,000 sq. ft.	1981	2,090,000
1983	2,780,000	1980	1,577,000
1982	2,652,000		

Sales and Earnings

	Net Sales ‡	Net Income ‡
1984	$ 768,449,000	$ 38,200,000
1983	637,279,000	31,430,000
1982	587,646,000	41,839,000
1981	498,484,000	43,247,000
1980	341,456,000	26,881,000

	No. of Com. Shares †	Earn. per Share + ‡ ×
1984	43,297,000	$ 0.90
1983	43,102,000	0.76
1982	40,528,000	1.08
1981	38,785,000	1.13
1980	34,078,000	0.80

‡ Of continuing operations only.
× Excluding extraordinary gain of $3,121,000 ($0.08 per share) in 1982.
† Adjusted to reflect stock splits.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.215	—	—
1983	0.19	—	—
1982	0.15	—	—
1981	0.12	—	—
1980	0.10	—	3-for-2 & 2-for-1‡

+ Adjusted to reflect stock splits.
‡ Declared Oct. 1980.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 426,289,000	$ 9.85
1983	391,647,000	9.09
1982	315,080,000	7.77
1981	264,104,000	6.81
1980	145,349,000	4.27

† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended	9/29/84	10/1/83
Net sales	$ 768,449	$ 637,279
Cost of sales	536,891	438,274
Expenses	167,216	143,430
Interest income	(6,510)	(6,606)
Interest expense	13,832	11,741
Income bef. taxes	$ 57,020	$ 50,440
Income taxes	18,820	19,010
Income from cont. operations	$ 38,200	$ 31,430
Loss from discont. oper.	—	(1,766)
Net Income	$ 38,200	$ 29,664

* Included in Costs and Expenses, Depreciation and Amortization: $37,809,000 in 1984 and $28,962,000 in 1983.

Assets
(000's)

As of	9/29/84	10/1/83
Cash	$ 4,648	$ 5,758
Marketable securities	65,665	58,490
Accts. receiv., net	177,477	131,496
Unbilled costs under cust. cont.	52,920	55,162
*Inventories	134,909	105,365
Prepaid inc. taxes	3,760	14,650
Other curr. assets	10,713	7,269
Current Assets	$ 450,092	$ 378,190
#Equip. on lease	21,753	21,249
#Fixed assets	226,105	208,265
Other assets	44,240	50,427
Total Assets	$ 742,190	$ 658,131

Liabilities
(000's)

Notes payable	$ 9,504	$ 3,603
Long-term debt, curr.	5,883	5,397
Accts. payable	67,151	48,896
Accruals	26,793	26,128
Accrued payroll	28,271	23,501
Curr. Liabilities	$ 137,602	$ 107,525
Long-term debt	123,927	128,186
Deferred inc. taxes	35,600	20,100
Other long-term liabilities	18,772	10,673
+Common stock	43,297	43,102
Add. paid-in capital	216,000	205,374
Retained earnings	195,563	166,660
Deferred comp.	(28,571)	(23,489)
Total Liabilities & Shareholders' Equity	$ 742,190	$ 658,131

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.42	—
%Net Income to Sales	4.97	—
%Net Income to Equity	8.96	7.57
Sales to Inventories	5.70	6.05
Working Capital	$312,490,000	$270,665,000
Current Ratio	3.27	3.52
Shareholders' Equity	$426,289,000	$391,647,000

Magna International Inc.

36 Apple Creek Boulevard
Markham, Ontario, Canada L3R 4Y4
(416) 477-7766

Officers: Frank Stronach, chairman of the board & chief exec officer; Burton V. Pabst, vice chairman of the board; Manfred Gingl, president & chief operating officer; Robert M. Jones, vice president-marketing; Harry Bytzek, Richard G. Hrga, Werner Ertl, Wolfgang Ruhland, Georg Schaut, group vice presidents; D. Robin Sloan, sr. v.p.; Bruce N. Bound, v.p. & treasurer; James R. McAlpine, exec. v.p.; Dennis J. Mills, v.p.-corp. affairs; J. Brian Colburn, exec. v.p., secretary & general counsel; Michael R. Hottinger, exec. v.p.; Edward E. Parent, v.p.-finance & chief financial officer; William J. Schahereiter, v.p.-special projects; Philip J. Wolfenden, v.p.-human resources.

Directors: Manfred Gingl, James F. McCallum, Burton V. Pabst, Frank Stronach, D. Robin Sloan, William B. Boggs, William J. Corcoran, George C. Hitchman, Donald Resnick.

Areas of Work: Manufacturer of parts for the North American automotive industry and of sophisticated components and products for the aerospace and defense industries. Also fabricates steel for industrial and commercial structures.

Divisions:

Magna-Concord Group
Produces trim components.

Magna-Downsview Group
Produces stamped components ranging from floor cross members and shock towers to door latches and parking brake assemblies.

Magna-Iowa Group
Manufactures a variety of stampings, including motor mount and transmission supports, oil strainers, bumper guards and catalytic converters.

Magna-MACI Group
Produces a large variety of electro-mechanical devices, electronic components and instrument clusters.

Magna-Maple Group
Manufactures accessory drive systems and reaction injection molded parts.

Subsidiaries:

Motor Specialties Mfrs. (Ontario) Ltd.
Multimatic Investments Ltd.
Unimade Industries, Ltd.
Vernomatic Ltd.

Hermes Electronics Ltd.
Dartmouth, Nova Scotia
Manufacturer of sensing devices used by the oil and gas and defense industries.

Joint Ventures:

Webasto-Werk
Germany
Sunroof manufacturer

Grammer Seating Systems
West Germany
Seating systems

Brown, Boveri & Cie
Mannheim, West Germany
Power trains and batteries

GSM Design Inc.
Plastic body vehicles

Transfer Agent(s):

The Canada Trust Company
Toronto, Canada

Stock Exchange(s): Toronto over-the-counter (U.S.)

Ticker Symbol: MG (NASDAQ)

Number of Employees:

1984	5,000	1983	4,000

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 493,559,000	$ 31,480,000
1983	302,451,000	14,647,000
1982	226,534,000	5,265,000
1981	232,114,000	6,911,000
1980	183,456,000	3,718,000

	No. of Com Shares #	Earn. per Share †‡
1984	17,024,911	$ 1.93
1983	14,604,911	1.10
1982	9,929,172	0.49
1981	10,316,172	0.64
1980	10,106,180	0.34

+ Of continuing operations only.
‡ Including extraordinary loss of $1,922,000 ($0.19 per share) in 1980.
# Class A Common and Class B shares combined adjusted to reflect stock dividend.
† Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.31	—	—
1983	0.26	100%	—
1982	0.25	—	—
1981	0.36	—	—
1980	0.36	—	—

+ Adjusted to reflect stock dividend.

Common Stock Equity

	Total Equity +	Equity Per Share †
1984	$ 143,566,000	$ 8.43
1983	81,590,000	5.59
1982	41,017,000	4.13
1981	39,631,000	3.84
1980	33,793,000	3.35

+ After allowing for preferred stock at stated value.
† Adjusted to reflect stock dividend.

Income Account
(000's)

Year ended July 31	1984	1983
Net sales	$ 493,559	$ 302,451
Cost of sales	369,616	228,944
Depreciation	15,044	11,267
Expenses	46,868	29,130
Interest expense	4,522	7,240
Amortization	385	397
Income before taxes	$ 57,124	$ 25,473
Income taxes	22,550	9,235
Minority interest	3,094	1,591
Net Income	$ 31,480	$ 14,647

Assets
(000's)

As of July 31	1984	1983
Accts. receiv., net	$ 86,370	$ 56,990
*Inventories	87,386	50,206
Prepaid expenses	3,417	4,529
Current Assets	$ 177,173	$ 111,725
#Fixed assets	179,817	87,388
Invest. in Devtek Corp.	3,402	2,971
Other assets	6,183	4,845
Total Assets	$ 366,575	$ 206,929

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 7,588	$ 7,630
Bank indebtedness	3,160	7,521
Accts. payable and accruals	77,739	44,327
Income taxes payable	8,882	3,956
Curr. Liabilities	$ 97,369	$ 63,434
Bank indebtedness	46,789	—
Long-term debt	49,708	42,159
Minority interest	7,635	4,507
Deferred inc. taxes	16,408	10,062
+ 6½% preferred stock	—	77
+ + 7% preferred stock	5,100	5,100
+ + + Class A common stock	69,783	34,292
+ + + Class B common stock	1,640	1,640
Retained earnings	72,143	45,658
Total Liabilities & Shareholders' Equity	$ 366,575	$ 206,929

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	11.57	8.42
% Net Income to Sales	6.38	4.84
% Net Income to Equity	21.17	16.88
Sales to Inventories	5.65	6.02
Working Capital	$79,804,000	$48,291,000
Current Ratio	1.82	1.76
Shareholders' Equity	$148,666,000	$86,767,000

Magnetic Controls Company

5501 Green Valley Drive
Bloomington, Minnesota 55437
(612) 835-6800

Officers: C.M. Denny, Jr., president & chief executive officer; R.C. Wagner, sr. v.p.-operations; D.H. Moersch, v.p.-human recources; L.J. Morgan, v.p.-finance & treasurer; P.P. Gombrich, sr. v.p.-market & technology development; D.A. Leese, v.p.-sales; L.A. Robert, v.p.-training & development; M.B. Hasselquist, secretary; W.C. Hamer, v.p. & chief technical officer; L.J. Davis, v.p.-manufacturing; C.R. Bigham, v.p.-information services; W.P. Brady, controller.

Directors: Charles M. Denny, Jr., Maynard B. Hasselquist, Lennie L. Arnevik, Bernd Hoefflinger, Frank A. Donaldson, Warde F. Wheaton.

Areas of Work: Designs, manufactures and sells electronic and electromechanical products under the trade name "ADC." Principal products are test and alarm systems, voice and data patching components, and transformers, filters and power supplies. Products are sold primarily to the telephone, computer, instrument, and aviation industries.

Subsidiaries:

ADC International, Inc.
Minneapolis, Minnesota

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota 55402

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MGNE (NASDAQ)

Number of Employees:

1984	1,554	1981	1,513
1983	N.A.	1980	1,413
1982	1,771		

Plant Footage:

1984	455,810 sq. ft.	1981	368,000
1983	N.A.	1980	317,300
1982	448,800		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 87,595,000	$ 3,700,00
1983	76,342,000	361,000
1982	62,155,000	4,464,000
1981	46,524,000	3,542,000
1980	41,811,000	3,624,000

Magnetic Controls Company

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,732,037	$ 0.65
1983	5,710,645	0.06
1982	5,704,674	0.78
1981	5,704,674	0.62
1980	4,494,858	0.81

✦ Of continuing operations only.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	50%	—
1982	—	50%	—
1981	—	—	—
1980	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 40,368,000	$ 7.04
1983	36,509,000	6.39
1982	35,664,000	6.25
1981	31,200,000	5.47
1980	27,658,000	6.15

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 87,595,000	$ 76,342,000
Cost of sales	51,456,000	45,045,000
Expenses	28,930,000	21,996,000
Interest expense	1,235,000	618,000
Interest income	(189,000)	(205,000)
Write-down of other assets	1,500,000	—
Other expense (income)	197,000	(101,000)
Income before taxes	$ 4,466,000	$ 8,989,000
Income taxes	1,223,000	3,526,000
Inc.-cont. oper.	$ 3,243,000	$ 5,463,000
Income (loss)-discont. oper.	457,000	(5,102,000)
Net Income	$ 3,700,000	$ 361,000

* Included in Costs and Expenses, Depreciation and Amortization: $5,291,000 in 1984 and $4,048,000 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 1,227,000	$ 2,152,000
Accts. receiv., net	16,463,000	13,140,000
*Inventories	20,447,000	15,656,000
Prepaid income taxes	2,520,000	4,857,000
Current Assets	$ 40,657,000	$ 35,805,000
#Fixed assets	23,386,000	21,566,000
Other assets	2,244,000	3,223,000
Total Assets	$ 66,287,000	$ 60,594,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 1,175,000	$ 511,000
Accts. payable	3,855,000	3,744,000
Accruals	5,910,000	10,381,000
Curr. Liabilities	$ 10,940,000	$ 14,636,000
Deferred inc. taxes	2,306,000	3,166,000
Long-term debt	12,673,000	6,283,000
✦Common stock	1,148,000	1,146,000
Add. paid-in-capital	18,863,000	18,706,000
Retained earnings	20,357,000	16,657,000
Total Liabilities & Shareholders' Equity	$ 66,287,000	$ 60,594,000

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
✦ $0.20 par value.

Statistical Summary

%Net Income to Equity	9.17	0.99
Sales to Inventories	4.28	4.88
Working Capital	$29,717,000	$21,169,000
Current Ratio	3.72	2.45
Shareholders' Equity	$40,368,000	$36,509,000

Management Assistance Inc.

560 Lexington Avenue
New York, New York 10022
(212) 909-1400
(800) 221-9844

Officers: Raymond P. Kurshan, chairman of the board & president; Robert W. Berend, sr. v.p., general counsel & secretary; Alan I. Goldman, sr. v.p. - finance; Stephen J. Keane, v.p. & president - Basic Four Information Systems Div.; Ronald A. Wallace, v.p. & president - Sorbus Service Div.; Daniel R. Kail, v.p. - corp. planning & development; Paul B. Lazovick, v.p. - investor relations & communications; Harold M. Martin, v.p. & controller; Jimmy F. Campbell, v.p. - taxes; Horace F. Scharges, v.p. - human resources; David S.T. Schiff, v.p. & associate gen. counsel; Bertrand H. Weidberg, v.p. & assoc. gen. counsel.

Directors: Raymond P. Kurshan*, chairman; John W. Culligan, James G. Hellmuth*, Stephen J. Keane, Gerald Rosenberg, Aaron Wildavsky, Asher B. Edelman, Raymond French, Daniel R. Kail, Clark R. Mandigo, Charles P. Stevenson, Jr., Dwight D. Sutherland.

* Member of the Executive Committee.

Areas of Work: Manufactures, markets and services information processing systems and related software. The systems are primarily used by small to medium sized businesses or for special applications by larger companies. The Basic Four Division is engaged in the manufacture and sale of the systems. The Sorbus Division functions in the maintenance field and related services.

Operating Units:

Basic Four Information Systems Division
14101 Myford Road
Tustin, California 92680

MAI Applications Software Corporation
18010 Skypark Circle
Irvine, California 92714

MAI/Basic Four Business Products Corp.
601 San Pedro N.E.
Albuquerque, New Mexico 87198

Sorbus Service Division
50 East Swedesford Road
Frazer, Pennsylvania 19355

MAI International Corporation
200 S. Manchester Avenue
Orange, California 92668

Foreign Operations:

MAI Australia Information Systems
Sydney, Australia

MAI International Ges.m.b.H (Austria)
Vienna, Austria

MAI Belgium, S.A.
Brussels, Belgium

MAI Canada, Ltd.
Markham, Ontario

MAI de Costa Rica, S.A.
San Jose, Costa Rica

MAI France S.A.
Paris, France

MAI Deutschland GmbH
Frankfurt/Main, West Germany

MAI de Mexico S.A. de C.V.
Mexico City, Mexico

MAI Nederland B.V.
Amsterdam, The Netherlands

MAI Philippines Inc.
Manila, The Philippines

MAI del Caribe Inc.
San Juan, Puerto Rico

MAI de Espana S.A., Sistemas de Informacion
Madrid, Spain

MAI Information Systems AB
Solna, Sweden

MAI (Schweiz) AG
Zurich, Switzerland

MAI United Kingdom Ltd.
London, England

MAI de Venezuela, S.A.
Caracas, Venezuela

Transfer Agent(s):

The Bank of New York
48 Wall Street
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: M

Number of Employees:

1984	N.A.	1981	5,629
1983	6,049	1980	5,269
1982	5,816		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 437,611,000	$ (8,213,000)
1983	375,885,000	1,048,000
1982	358,387,000	7,534,000
1981 ✦	332,186,000	8,752,000
1980	303,751,000	388,000

	No. of Com. Shares #	Earn. per Share ‡ #
1984	7,309,273	$ —
1983	7,649,540	0.14
1982	8,213,189	0.92
1981 ✦	8,138,318	1.08
1980	8,145,796	0.05

(Loss)
✦ Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.
‡ Including extraordinary gains of $300,000 in 1984 $1,004,000 ($0.13 per share) in 1983 and $2,601,000 ($0.32 per share) in 1981.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Major processing syst.	$ 235,476,000	$ 205,169,000
Maint. & rel. serv.	190,981,000	163,392,000
Other	11,154,000	7,324,000
Total	$ 437,611,000	$ 375,885,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 81,000,000	$ 11.08
1983	79,000,000	10.33
1982	101,600,000	12.37
1981 ✦	92,900,000	11.49
1980	82,646,000	10.15

✦ Restated
‡ Based on the weighted average number of common shares outstanding.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Revenues	$ 437,611	$ 375,885
Cost of sales	257,425	212,713
Expenses	167,322	154,626
Restricted Stock	4,200	—
Content Expenses	3,920	—
Severance expenses	8,129	—
Closing costs	2,502	—
Interest expense	5,828	5,572
Interest income	(739)	(673)
Income (loss) bef. taxes	$ (10,976)	$ 3,647
Income taxes (credit)	(1,400)	3,603
Cum. effect of acctng changes	(1,063)	—
Net Income (Loss)	$ (8,513)	$ 44
Extraord. gain	300	1,004
Net Income (Loss) & extraord. gain	$ (8,213)	$ 1,048

* Included in Costs and Expenses, Depreciation and Amortization: $14,010,000 in 1984 and $11,708,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & cash equiv.	$ 8,799	$ 6,970
Receiv., net	71,964	62,190
*Inventories	49,204	48,123
Replacement parts	34,422	31,518
Other curr. assets	17,028	21,277
Current Assets	$ 181,417	$ 170,078
#Fixed assets	49,326	61,624
Other assets	7,680	7,883
Total Assets	$ 238,423	$ 239,585

Liabilities
(000's)

	1984	1983
Short-term borr.	$ 2,598	$ 4,133
Long-term debt, curr.	9,356	775
Accts. payable	21,715	22,914
Accrued liab.	48,672	31,581
Unearned revenue	7,606	6,599
Income taxes	4,442	1,347
Curr. Liabilities	$ 94,389	$ 67,349
Long-term debt	39,088	73,997
Deferred inc. taxes	—	17,362
Other deferred liab.	19,189	1,979
+ Common stock	4,834	3,370
Add. paid-in capital	3,370	76,315
Retained earnings	76,338	27,789
Cost of restricted stock grants	19,576	(3,171)
Treasury stock	(18,361)	(25,405)
Total Liabilities & Shareholders' Equity	$ 238,423	$ 239,585

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.40 par value.

Statistical Summary

% Income bef. Taxes to Revenues	—	0.97
% Net Income to Revenues	—	0.01
% Net Income to Equity	—	0.06
Working Capital	$87,028,000	$102,729,000
Current Ratio	1.92	2.53
Shareholders' Equity	$80,923,000	$ 78,898,000

Mangood Corporation

676 North St. Clair
Chicago, Illinois 60611
(312) 726-5705

Officers: Marvin B. Levine, president; John L. Westermann, III, v.p.-finance & treasurer; Norman Hammer, secretary.

Directors: Alexander Anagnos, Bernard E. Brandes, Helmut N. Friedlaender, Samuel Hoffman, Marvin B. Levine, Anthony A. Sirna, III, John L. Westermann, III.

Areas of Work: Produces electronic weighing systems for commerce and industry, in motion weighers, electronic process control and measurement systems, strain gauge load cells and related transducers, traffic counters and detectors, warning lights, emergency vehicle lights, and industrial and scientific counting systems.

Divisions and Subsidiaries:

Streeter Richardson Division
680 Van Houten Avenue
Clifton, New Jersey 07015

Streetar Richardson Division
155 Wicks Street
Grayslake, Illinois 60030

Mangood Corporation
676 N. St. Clair
Chicago, Illinois 60611

Mangood Limited (U.K.)
Polo Field Estates
Panteg, Pontypool
Gwent NP4 5YP
Wales, United Kingdom

Railweight Limited
Arnside Road, Bestwood
Nottingham, NG5 5HD, England

Mangood International, Inc.
Howe Richardson Corp.
680 Van Houten Avenue
Clifton, New Jersey 070,5

Howe Richardson, Inc.
217 Brunswick Boulevard
Pointe Clare, Quebec H9R 4R7 Canada

Chronos Richardson GmbH
Frankfurter Strasse 89-95
D-5205 Hennef 1, West Germany

Chronos Richardson SA
2/4 Avenue de la Cerisaie
Platane 306
F 94266 Fresnes Cedex, France

Chronos Richardson SA
Viale delle Industrie 11/3
I-20020 Arese, Milano, Italy

Chronos Richardson Ltd.
Arnside Road, Bestwood
Nottingham, NG5 5HD, England

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

The Chase Manhattan Bank, N.A.
One Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s): American

Ticker Symbol: MAB

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 64,048,000	$ (1,397,000)
1983	17,417,000	530,000
1982	18,427,000	511,000
1981	18,741,000	525,000
1980	19,830,000	548,000

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	628,748	$ —
1983	628,748	0.84
1982	628,000	0.81
1981	652,000	0.80
1980	708,000	0.61

(Loss)
+ Of continuing operations only.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.
† Including extraordinary credits of $120,000 ($0.17 per share) in 1980.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 2,872,000	$ 4.57
1983	4,771,000	7.59
1982	4,329,000	6.89
1981	3,949,000	6.06
1980	4,012,000	5.67

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 64,048,000	$ 17,417,000
Cost of sales	45,256,000	10,545,000
Expenses	18,150,000	5,912,000
Interest expense	2,437,000	193,000
Income (loss) before taxes	$ (1,795,000)	$ 767,000
Income taxes (credit)	(398,000)	237,000
Net Income (Loss)	$ (1,397,000)	$ 530,000

* Included in Costs and Expenses, Depreciation and Amortization: $758,000 in 1984 and $291,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 261,000	$ 1,216,000
Receiv., net	12,114,000	13,801,000
*Inventories	15,145,000	14,994,000
Prepaid expenses	1,048,000	651,000
Current Assets	$ 28,558,000	$ 30,662,000
#Fixed assets	4,784,000	5,268,000
Other assets	1,376,000	845,000
Total Assets	$ 34,728,000	$ 36,775,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 2,910,000	$ 1,010,000
Accts. payable	5,411,000	6,267,000
Accruals	6,434,000	6,772,000
Income taxes	107,000	280,000
Notes payable	757,000	596,000
Curr. Liabilities	$ 15,619,000	$ 14,925,000
Long-term debt	14,282,000	15,450,000
Deferred pension exp.	1,910,000	1,446,000
Deferred inc. taxes	45,00	183,000
+ Common stock	7,000	2,590,000
Add. paid-in capital	2,583,000	—
Retained earnings	1,634,000	3,031,000
Cum. trans. adj.	(721,000)	(219,000)
Treasury stock	(631,000)	(631,000)
Total Liabilities & Shareholders' Equity	$ 34,728,000	$ 36,775,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value in 1984; No par value in 1983.

Statistical Summary

%Income before Taxes to Sales	—	4.40
%Net Income to Sales	—	3.04
%Net Income to Equity	—	11.11
Sales to Inventories	4.23	1.16
Working Capital	$12,949,000	$15,737,000
Current Ratio	1.83	2.05
Shareholders' Equity	$ 2,872,000	$ 4,771,000

Marantz Company, Inc.

(Formerly Superscope, Inc.)

20525 Nordoff Street
Chatsworth, California 91311
(818) 998-9333

Officers: Joseph S. Tushinsky, chairman of the board & chief executive officer; Fred C. Tushinsky, president, chief operating officer & secretary; William Morris, sr. v.p.-finance & administration, chief financial officer & asst. secretary; Richard J. Jordan, v.p.-product development; Harvey A. Schneider, sr. v.p.-marketing & sales; Harold R. Loman, v.p.-special markets & sales; Walter W. Wood, v.p.-operations.

Directors: Joseph Tushinsky, Fred C. Tushinsky, Richard D. Rosenblatt, Laurence M. Weinberg, William H. Molle, Ernest W. Silvertooth.

Areas of Work: Manufactures and distributes a complete line of consumer audio products for home entertainment, including stereo high fidelity components, portable radio cassettes and cassette recorders, auto stereo components, reproducing pianos and systems, standard pianos and prerecorded tape products.

Divisions and Subsidiaries:

Superscope Company, Inc.
Morantz Piano
Superscope Tape Duplicating Products, Inc.

all at:

20525 Nordhoff Street
Chatsworth, California 91311

Morantz Canada Ltd.
Mississauga, Ontario
Canada

Transfer Agent(s):

Bank of America NT & SA
P.O. Box 37002
San Francisco, California 94137

Stock Exchange(s): New York, Pacific

Ticker Symbol: SSP

Number of Employees:

1984	175	1981	561
1983	311	1980	548
1982	285		

Plant Footage:

1984	163,000 sq. ft.	1981	413,000
1983	254,000	1980	195,000
1982	444,000		

Sales and Earnings

	Net Sales +	Net Income‡
1984	$ 44,047,000	$ (138,000)
1983	33,873,000	10,305,000
1982	40,886,000	(11,520,000)
1981	48,429,000	(5,240,000)
1980	153,659,000	(13,071,000)

	No. of Com. Shares †	Earn. per Share†‡
1984	2,308,000	$ —
1983	2,308,000	4.47
1982	2,308,000	—
1981	2,308,000	—
1980	2,308,000	—

(Loss)
+ Of continuing operations only.
† Based on the weighted average number of shares outstanding.
‡ Includng extraordinary gain of $11,420,000 ($4.95 per share) in 1983.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 16,488,000	$ 7.14
1983	16,626,000	7.20
1982	6,321,000	2.74
1981	17,841,000	7.73
1980	23,081,000	10.00

+ Based on the weighted average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 44,047	$ 33,873
Cost of sales	29,103	21,573
Expenses	14,198	13,783
Prov. for doubt. accts.	719	120
Interest expense	868	208
Interest income	(219)	(799)
Loss before taxes	$ (622)	$ (1,012)
Tax credit	(1,444)	(568)
Income (loss) from cont. oper.	$ 822	$ (444)
Loss from discont. oper.	(960)	(671)
Net Loss	$ (138)	$ (1,115)
Extraord. gain	—	11,420
Income (loss) & extraord. gain	$ (138)	$ 10,305

* Included in Costs and Expenses, Depreciation and Amortization: $576,000 in 1984 and $696,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 1,185	$ 1,982
Accts. receiv., net	10,103	9,215
*Inventories	10,177	11,205
Prepaid expenses	385	400
Current Assets	$ 21,850	$ 22,802
#Fixed assets	1,740	2,553
Defer. charges	759	785
Total Assets	$ 24,349	$ 26,140

Liabilities
(000's)

Notes payable	$ 1,855	$ 2,621
Long-term debt, curr.	110	227
Accts. payable	3,615	2,543
Accruals	1,829	2,178
Income taxes	66	1,514
Curr. Liabilities	$ 7,475	$ 9,083
Long-term debt	146	191
Est. liability for warr. costs	240	240
+Common stock	2,308	2,308
Add paid-in capital	10,956	10,956
Retained earnings	3,224	3,362
Total Liabilities & Shareholders' Equity	$ 24,349	$ 26,140

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

Sales to Inventories	4.33	3.02
Working Capital	$14,375,000	$13,719,000
Current Ratio	2.92	2.51
Shareholders' Equity	$16,488,000	$16,626,000

Marshall Industries

9674 Telstar Avenue
El Monte, California 91731
(818) 442-7204

Officers: Gordon S. Marshall, chairman of the board, president, chief executive & chief operating officer; William J. Smith, v.p.-sales; Henry J. Leary, v.p.-business planning & development; George J. Tarnawsky, v.p.-marketing; Peter B. Heric, v.p.-management information systems; Carl R. Sittman, v.p.-facilities; David O. Zertuche, v.p.-finance, chief financial officer and secretary.

Directors: Gordon S. Marshall, chairman; Ralph W. James, Mason Phelps, Donald Royce, Jr., Raymond G. Rinehart, William G. Bune, Lathrop Hoffman.

Areas of Work: Engaged in the distribution of electronic components, wire termination devices, production supplies, hand tools, and assembly work station equipment to the electronics industry. Also performs assembly and wire stripping operations.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 2097, Terminal Annex
Los Angeles, California 90054

Stock Exchange(s): American, Pacific

Ticker Symbol: MI

Number of Employees:

1984	1,008	1981	689
1983	700	1980	590
1982	682		

Plant Footage:

1984	165,000 sq. ft.	1983	165,000

Sales and Earnings

	Net Sales	Net Income †
1984	$ 245,591,000	$ 10,467,000
1983	130,364,000	1,518,000
1982	117,999,000	(949,000)
1981	105,663,000	(1,550,000)
1980	83,538,000	1,815,000

	No. of Com. Shares #	Earn. per Share # †
1984	3,395,000	$ 3.08
1983	2,542,000	0.60
1982	2,461,000	—
1981	2,452,000	—
1980	2,460,000	0.74

(Loss)
† Including extraordinary gain of $146,000 ($0.06 per share) in 1983.
#Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	5%	—
1981	—	5%	—
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 45,503,000	$ 13.40
1983	12,196,000	4.80

1982	10,522,000	4.28
1981	11,434,000	4.66
1980	12,944,000	5.26

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year Ended May 31	1984	1983
Net sales	$ 245,591,000	$ 130,364,000
Cost of sales	182,337,000	98,070,000
Expenses	39,145,000	26,619,000
Interest expense	2,639,000	2,948,000
Income before taxes	$ 21,470,000	$ 2,727,000
Income taxes	11,003,000	1,355,000
Net Income	$ 10,467,000	$ 1,372,000
Extraordinary gain	—	146,000
Net Income & extraord. gain	$ 10,467,000	$ 1,518,000

* Included in Costs and Expenses, Depreciation and Amortization: $591,000 in 1984 and $474,000 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 889,000	$ 1,575,000
Receiv., net	43,448,000	23,760,000
*Inventories	54,422,000	22,579,000
Prepaid expenses	363,000	271,000
Income tax prepayments	—	557,000
Current Assets	$ 99,122,000	$ 48,742,000
#Fixed assets	10,001,000	4,040,000
Total Assets	$ 109,123,000	$ 52,782,000

Liabilities

Long-term debt, curr.	$ 2,280,000	$ 2,556,000
Accts. payable	26,247,000	13,273,000
Accruals	3,394,000	2,082,000
Income taxes	1,952,000	1,503,000
Deferred income taxes	1,575,000	
Curr. Liabilities	$ 35,448,000	$ 19,414,000
Long-term debt	28,172,000	21,172,000
+ Common stock	3,704,000	2,674,000
Add. paid-in capital	31,294,000	9,417,000
Retained earnings	10,505,000	105,000
Total Liabilities & Shareholders' Equity	$ 109,123,000	$ 52,782,000

* At lower of cost (LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.74	2.09
%Net Income to Sales	4.26	1.05
%Net Income to Equity	23.00	11.25
Sales to Inventories	4.51	5.77
Working Capital	$63,674,000	$29,328,000
Current Ratio	2.80	2.51
Shareholders' Equity	$45,503,000	$12,196,000

Martin Marietta Corporation

6801 Rockledge Drive
Bethesda, Maryland 20817
(301) 897-6000

Officers: Thomas G. Pownall, chairman of the board & chief exec. officer; Laurence J. Adams, president & chief operating officer; Melvin A. McCubbin, v.p. & chief financial officer; Frank H. Menaker, Jr., v.p. & general counsel; Caleb B. Hurtt, David C. Dressler, Norman R. Augustine, sr. v.p.'s; J. Peter Dunston, Bobby F. Leonard, Walter O. Lowrie, Richard J. Walters, Philip H. Sendel, Marcus Bennett, Robert J. Polutchko, vice presidents; Mary Jane LaBarge, secretary; Robert W. Powell, Jr., treasurer.

Directors: John J. Byrne*, A. James Clark*, James L. Everett, III, Frank M. Ewing*, William W. Hagerty, Melvin R. Laird*, Griffin B. Bell*, Frank X. Bradley, Thomas G. Pownall*, J. Donald Rauth*, David C. Scott, Laurence J. Adams*, Edward L. Hennessy, Jr.

* Member of the Executive Committee.

Areas of Work: Designs and manufactures a wide range of defense and space systems, including space launch vehicles, spacecraft, missiles and other defense systems. Martin Marietta also is a major producer of aggregates and specialty chemicals.

Divisions and Subsidiaries:

Martin Marietta Aerospace
6801 Rockledge Drive
Bethesda, Maryland 20817
(301) 897-6000

Martin Marietta Basic Products
6801 Rockledge Drive
Bethesda, Maryland 20817
(301) 897-6000

Martin Marietta Data Systems
Bethesda, Maryland

Acquisition(s):

Mathematica, Inc.
Supplier of user-friendly computer software.

Transfer Agent(s):

Maryland National Bank
225 North Calvert Street
Baltimore, Maryland 21203

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Pacific, Midwest, Philadelphia, London

Ticker Symbol: ML

Number of Employees:

1984	N.A.	1981	41,200
1983	42,800	1980	34,650
1982	40,900		

N.A.-Not Available.

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 3,920,400	$ (191,764)
1983	3,228,061	141,331
1982	3,033,082	91,642
1981	2,679,715	200,072
1980	1,950,789	188,133

	No. of Com. Shares #	Earn. per Share #
1984	34,879,653	$ —
1983	30,836,147	4.23
1982	47,096,835	1.95
1981	55,649,184	3.59
1980	56,046,993	3.35

+ Of continuing operations only.
# Based on the average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Aerospace:		
Space & strategic syst.	$ 1,910,500	$ 1,433,400
Electronics & Tactical syst.	1,052,200	910,100
Aero-mechan. syst.	310,000	232,000
Basic Prods.	428,900	499,400
Data Systems	361,600	278,800
Corporate	17,400	3,800
Intersegment	(160,200)	(129,400)
Total	$ 3,920,400	$ 3,228,100

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$1.34	—	—
1983	1.29½	—	3-for-2
1982	1.28	—	—
1981	1.20	—	3-for-2
1980	1.03	—	—

# Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 511,113,000‡	$ 14.65
1983	730,356,000‡	23.69
1982	321,560,000‡	6.83
1981	1,199,977,000	21.56
1980	1,103,146,000	19.68

# Based on the average number of shares outstanding adjusted to reflect stock splits.
‡ After allowing for preferred stock at liquidation value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,920,400	$ 3,228,061
Cost of sales & expenses	3,634,082	2,998,445
Oper. profit	$ 286,318	$ 229,616
Other income	54,833	135,343
Total	$ 341,151	$ 364,959
Interest expense	32,237	63,939
Income before taxes	$ 308,914	$ 301,020
Income taxes	132,900	139,400
Inc.-cont. oper.	$ 176,014	$ 161,620
Loss-discont. oper.	(367,778)	(20,289)
Net Income (Loss)	$ (191,764)	$ 141,331

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $113,634,000 in 1984 and $113,625,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable securities	$ 30,255	$ 39,148
Accts. & notes receiv., net	283,676	249,876
*Inventories	270,539	201,851
Assets of discont. oper.	70,440	244,214
Other curr. assets	196,978	17,631
Current Assets	$ 851,888	$ 752,720
Assets of discont. oper.	89,798	525,884
Investments	160,219	229,401
#Fixed assets	807,770	750,882
Other assets	287,422	91,945
Intangibles	27,223	29,249
Total Assets	$ 2,224,320	$ 2,380,081

Liabilities

Short-term debt	$ 100,000	$ —
Long-term debt, curr.	1,649	11,649
Accts. payable & accruals	303,585	230,531
Accrued payroll	207,817	170,671
Income taxes	191,134	252,845
Curr. Liabilities	$ 804,185	$ 665,696
Long-term debt	347,081	549,586

Martin Marietta Corporation

Other liabilities	80,045	52,660
Deferred inc. taxes	366,896	266,783
+ Preferred stock	115,000	115,000
+ + Common stock	69,492	69,488
Add. paid-in capital	572,637	570,233
Retained earnings	882,410	1,132,226
Treasury stock	(1,013,426)	(1,041,591)
Total Liabilities & Shareholders' Equity	$ 2,224,320	$ 2,380,081

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation, depletion and amortization
+ No par value.
+ + $1 par value.

Statistical Summary

% Net Income to Equity	—	16.72
Sales to Inventories	14.49	15.99
Working Capital	$ 47,703,000	$ 87,024,000
Current Ratio	1.06	1.13
Shareholders' Equity	$626,113,000	$845,356,000

Materials Research Corporation

Route 303
Orangeburg, New York 10962
(914) 359-4200

Officers: Sheldon Weinig, chairman & chief exec. officer; L.A. Cambey, president & chief operating officer; Garrett E. Pierce, v.p.-finance & treasurer; Paul Richardson, Nancy M. Jakobs, v.p.'s; Herbert Stoller, secretary.

Directors: Sheldon Weinig, Herbert Stoller, Joseph C. Abeles, L.A. Cambey, Luther H. Hodges, Jr., Edward E. David, Jr., Robert E. Davis, Garrett E. Pierce.

Areas of Work: Supplies high purity metals, ceramics, sputtering and etching equipment to the electronics and telecommunications industries.

Divisions:

Advanced Metals Division
Refines and fabricates high purity metals and alloys into the forms required for industrial thin-film application.

Ceramic Products Division
Produces a variety of both exotic and industrial ceramic materials for the microelectronics industry.

Process Equipment Division
Designs, develops and manufactures thin film deposition and etching equipment (sputtering equipment).

Standard Products Division
Supplies demands for R&D quantities of company products, several hundred items are carried in stock, all available for same day shipment to the customer.

Subsidiaries:

Materials Research B.V.
The Netherlands

Materials Research Ltd.
United Kingdom

Materials Research GmbH
Germany

Materials Research S.A.
France

Materials Research Sr.l
Italy

MRC Export Corporation

Nihon MRC Company, Ltd.
Japan

Transfer Agent(s):

Marine Midland Bank, N.A.
250 Park Avenue
New York, New York 10017

Stock Exchange(s): American

Ticker Symbol: MTL

Number of Employees:

1984	989	1981	642
1983	787	1980	770
1982	717		

Plant Footage:

1984	298,300 sq. ft.	1981	263,000
1983	298,300	1980	211,500
1982	276,500		

Sales and Earnings

	Net Sales	Net Income
1984	$ 96,559,000	$ 3,781,000
1983	62,031,000	(3,284,000)
1982	60,109,000	728,000
1981	71,628,000	2,346,000
1980*	71,317,000	4,383,000

	No. of Com. Shares‡	Earn. per Share‡
1984	4,051,000	$ 0.93
1983	3,808,000	—
1982	3,463,000	0.21
1981	3,442,000	0.68
1980*	3,255,000	1.34

(Loss)
*53 weeks
‡Based on the average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.120	—	—
1983	0.120	—	—
1982	0.120	—	—
1981	0.113	—	4-for-3
1980	0.086	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 37,649,000	$ 9.29
1983	34,766,000	8.59
1982	25,567,000	7.38
1981	26,006,000	7.56
1980	23,637,000	7.26

+ Adjusted to reflect stock splits.

Income Account *

Year ended	10/27/84	10/29/83
Net sales	$ 96,559,000	$ 62,031,000
Cost of sales	64,901,000	47,896,000
Expenses	16,575,000	13,967,000
Development exp.	7,299,000	6,141,000
Interest expense	1,240,000	1,069,000
Other expense (income)	346,000	(215,000)
Income (loss) before taxes	$ 6,198,000	$ (6,827,000)
Income tax (credit)	2,417,000	(3,543,000)
Net Income (Loss)	$ 3,781,000	$ (3,284,000)

*Included in Costs and Expenses, Depreciation: $2,540,000 in 1984 and $1,876,000 in 1983.

Assets

As of	10/27/84	10/29/83
Cash	$ 396,000	$ 110,000
Receiv., net	23,565,000	15,102,000
*Inventories	20,674,000	17,316,000
Prepaid expenses	660,000	475,000
Tax refunds receivable	956,000	2,487,000
Deferred income taxes	1,224,000	2,478,000
Current Assets	$ 47,475,000	$ 37,968,000
#Fixed assets	17,394,000	15,693,000
Other assets	769,000	251,000
Total Assets	$ 65,638,000	$ 53,912,000

Liabilities

Notes payable	$ 1,557,000	$ 1,959,000
Long-term debt, curr.	599,000	324,000
Accts. payable	8,422,000	4,801,000
Income taxes	560,000	77,000
Accruals	5,363,000	5,709,000
Curr. Liabilities	$ 16,501,000	$ 12,870,000
Long-term debt	9,102,000	4,637,000
Deferred inc. taxes	1,637,000	1,374,000
Other liabilities	749,000	265,000
+ Common stock	4,051,000	4,047,000
Add. paid-in capital	21,568,000	21,451,000
Retained earnings	13,466,000	10,171,000
Cum. trans. adj.	(1,436,000)	(903,000)
Total Liabilities & Shareholders' Equity	$ 65,638,000	$ 53,912,000

*At lower of average cost or market.
#Less accumulated depreciation.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	6.42	—
% Net Income to Sales	3.92	—
% Net Income to Equity	10.04	—
Sales to Inventories	4.67	3.58
Working Capital	$30,974,000	$24,833,000
Current Ratio	2.88	2.89
Shareholders' Equity	$37,649,000	$34,766,000

McDonnell Douglas Corporation

P.O. Box 516
St. Louis, Missouri 63166
(314) 232-0232

Officers: Sanford N. McDonnell, chairman of the board & chief executive officer; John F. McDonnell, president; John E. Crosthwait, corporate v.p.-Eastern Region; Albert H. Smith, v.p.-contracts & controller; Robert C. Little*, corporate v.p. & aerospace group exec.; Robert L. Johnson, corp. v.p. & aerospace group exec.; Gerald J. Meyer*, v.p.-communications; James S. McDonnell, III, corporate v.p.-aerospace marketing; James H. MacDonald, corporate v.p.-human resources; Jerry G. Brown*, v.p. & treasurer; David C. Arnold, corporate vice president-productivity; Walter E. Diggs, Jr.*, corporate secretary; John T. Sant*, corporate v.p.-general counsel; John W. Chase, corporate treasurer; Charles Conrad*, corporate v.p.; James T. McMillan, president-McDonnell Douglas Finance Corporation; Jack G. Real, president-Hughes Helicopters, Inc.; Robert A. Fischer, Gary E. Liebl, corporate v.p.'s-ISG executive board; McDonnell Aircraft Company officers: Donald Malvern, president; Harold D. Altis, exec. v.p.; Alvin L. Boyd, sr. v.p.; Douglas Aircraft Company officers: James E. Worsham, president; William T. Gross, exec. v.p.; McDonnell Douglas Astronautics Company: John F. Yardly, president; Erwin F. Branahl, v.p. & general manager-St. Louis; C. James Dorrenbacher, v.p. & general manager-Huntington Beach.

Directors: Sanford N. McDonnell*, chairman of the board; George H. Capps, William H. Danforth, Robert L. Johnson, Donald S. Macdonald, Donald W. Douglas, Jr., George S. Graff*, Edwin S. Jones*, Robert C. Little, John F. McDonnell*, William R. Orthwein, Jr.*, James S. McDonnell, III, Michael N. Chetkovich, Elliott M. Estes, Jerry McAfee, Charles F. Knight, William A. McDonnell.

* Member of the Executive Committee.

Areas of Work: Energy systems; military and commercial aircraft, space vehicles and missiles; electronic systems; data processing services.

Divisions and Subsidiaries:

McDonnell Douglas Finance Corporation (Subsidiary)
3855 Lakewood
Long Beach, California 90846
(213) 593-1722

Vitek Systems Inc. (Subsidiary)
595 Anglum Drive
Hazelwood, Missouri 63042
(314) 232-8444

MDC Realty Company (Subsidiary)
3855 Lakewood Boulevard
Long Beach, California 90846
(213) 593-5941

McDonnell Douglas Canada Ltd. (Subsidiary)
Malton, Ontario, Canada L5P 1B7
(416) 677-4341

McDonnell Douglas International Sales Corp. (Subsidiary)
Box 516
St. Louis, Missouri 63166
(314) 232-0232

Microdata Corp.
17481 Red Hill Avenue
Irvine, California
(714) 250-1000

McDonnell Douglas Astronautics Company (Division)
5301 Bolsa Avenue
Huntington Beach, California 92647
(714) 896-3311

McDonnell Douglas Automation Company (Division)
Box 516
St. Louis, Missouri 63166
(314) 232-0232

2600 North Third Street
St. Charles, Missouri 63301
(314) 925-4000

McDonnell Douglas-Tulsa (Division)
2000 North Memorial Drive
Tulsa, Oklahoma 74115
(918) 836-1616

Box 516
St. Louis, Missouri 63166
(314) 232-0232

Douglas Aircraft Company (Division)
3855 Lakewood Boulevard
Long Beach, California 90846
(213) 593-5511

Acquisition(s):

Hughes Helicopter, Inc.
Culver City, California
Computer Sharing Services, Inc.

Transfer Agent(s):

Shareholder Records Department
McDonnell Douglas Corporation
St. Louis, Missouri

Centerre Trust Company of St. Louis
510 Locust Street
St. Louis, Missouri 63101

The Chase Manhattan Bank
One Chase Manhattan Plaza
New York, New York 10015

Stock Exchange(s)*: New York, Pacific, Brussels, Amsterdam.

* Listed and/or traded.

Ticker Symbol: MD

Number of Employees:

1984	N.A.	1981	74,264
1983	74,466	1980	82,550
1982	72,451		

Plant Footage:

1984	N.A.	1981	28,800,000
1983	30,863,583 sq.ft.	1980	27,900,000
1982	29,900,000		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income
1984	$9,861,000,000	$ 325,300,000
1983	8,292,800,000	274,900,000
1982	7,452,200,000	214,700,000
1981	7,501,300,000	176,600,000
1980	6,198,000,000	144,600,000

	No. of Com. Shares	Earn. per Share ‡
1984	40,000,000	$ 8.10
1983	39,400,000	6.91
1982	38,500,000	5.44
1981	38,500,000	4.44
1980	38,300,000	3.65

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Combat aircraft	$ 5,341,200	$ 4,383,800
Transport aircraft	2,041,000	1,801,900
Space systems & missiles	1,415,900	1,386,500
Computer services	864,500	538,800
Total sales	$ 9,662,600	$ 8,111,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.62	—	—
1983	1.42	—	—
1982	1.24	—	—
1981	1.06	—	—
1980	0.90	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 2,343,800	$ 58.55
1983	2,067,900	52.39
1982	1,819,600	47.24
1981	1,653,500	42.93
1980	1,512,500	39.50

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 9,662,600	$ 8,111,000
Other income	198,400	181,800
Revenues	$ 9,861,000	$ 8,292,800
Cost of sales	7,885,400	6,753,500
Expenses	1,440,000	1,093,900
Interest & debt. exp.	61,900	10,000
Income before taxes	$ 473,700	$ 435,400
Income taxes	148,400	160,500
Net Income	$ 325,300	$ 274,900

* Included in Costs and Expenses, Depreciation and Amortization: $286,400,000 in 1984 and $211,300,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & time deposits	$ 32,200	$ 26,200
Short-term investments	2,100	381,000
Receiv., net	945,600	605,100
Inventories & contracts	2,583,600	1,904,600
Prepaid expenses	36,000	23,400
Current Assets	$ 3,599,500	$ 2,940,300
#Fixed assets	1,492,500	1,013,500
Investment	152,200	142,200
Rental equip.	225,200	391,400
Intangibles	436,200	35,700
Other assets	285,700	268,700
Total Assets	$ 6,191,300	$ 4,791,800

Liabilities
(000's)

Notes payable	$ 601,500	$ —
Long-term debt, curr.	61,100	18,100
Accts. payable	833,100	568,500
Accruals	137,500	122,600
Employee compensation	228,000	190,300
Contract adjustments	1,088,900	1,032,000
Income taxes	856,900	732,400
Curr. Liabilities	$ 3,807,000	$ 2,663,900
Long-term debt	40,500	60,000
+ Common stock	40,000	39,400
Add. paid-in capital	392,800	372,200
Retained earnings	1,923,600	1,662,800
Foreign curr. statements	(12,600)	(6,500)
Total Liabilities & Shareholders' Equity	$ 6,191,300	$ 4,791,800

# Less accumulated depreciation
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	4.80	5.25
%Net Income to Revenues	3.30	3.31
%Net Income to Equity	13.88	13.29
Working Capital	—	$ 276,400,000
Current Ratio	—	1.10
Shareholders' Equity	$2,343,800,000	$2,067,900,000

McGraw-Edison Company

One Continental Towers
1701 Golf Road
Rolling Meadows, Illinois 60008
(312) 981-3800

Officers: Edward J. Williams, chairman & chief executive officer; Richard W. Vieser, president & chief operating officer; William S. Kingsolver, v.p.-market development; Thomas L. Bindley, sr. v.p.-finance; Fredrick J. Florjancic, Jr., v.p. & treasurer; Robert C. Morgan, II, v.p.-taxes; William R. Rawson, v.p.-law & administration, corporate secretary; Robert A. Kenkel, exec. v.p.-commercial sector; James N. Mills, exec. v.p.-industrial sector; James S. Yerbic, v.p. & controller.

Directors: Edward J. Williams*, chairman; Royal D. Alworth, Jr.*, L. Hardwick Caldwell, Jr., Frederick G. Jaicks, Donald P. Kelly*, John A. Logan, Marvin G. Mitchell, Frank C. Osment, Robert T. Powers, Richard N. Rosett*, Richard W. Viesor.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Industrial

Bussmann Division
P.O. Box 14468
St. Louis, Missouri 63178
(314) 394-2877
Fuses and fuse receptacles.

Onan Corporation
1400 73rd Avenue N.E.
Minneapolis, Minnesota 55432
(612) 574-5000
Manufactures portable and stationary electric generator sets and gasoline and diesel engines.

Commercial

Halo Lighting Division
400 Busse Road
Elk Grove Village, Illinois 60007
(312) 956-8400
Manufactures a variety of indoor and outdoor lighting fixtures for industrial, commercial and residential applications.

Clarke Division
2800 Estes Street
Muskegon, Michigan 49441
(616) 759-8545
Commercial and industrial floor and carpet maintenance equipment.

McGraw-Edison Company

Power Systems Equipment

Power Systems Division
P.O. Box 2850
Pittsburgh, Pennsylvania 15230
(412) 777-3200

Manufactures a broad line of electrical transmission and distribution equipment including transformers, circuit breakers and reclosers, arresters, fuses, capacitors, voltage regulators, line hardware, large electrical motors and batteries.

Service

Service Division
P.O. Box 21396
Columbus, Ohio 43221
(614) 459-1200

Repairs, redesigns and remanufactures electrical and mechanical equipment.

Automotive

Wagner Division
100 Misty Lane
Parsippany, New Jersey 07054
(201) 386-9300

Manufactures automotive brake and lighting products.

Campbell Chain Division
P.O. Box 3056
York, Pennsylvania 17402
(717) 755-2921

Manufactures and markets welded and weldless chain, tackle blocks and clamps and lifting devices.

Transfer Agent(s):

Harris Trust & Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Marine Midland Bank
140 Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: MGR

Number of Employees:

1984	N.A.	1981	32,000
1983	28,000	1980	35,000
1982	29,000		

Plant Footage:

1984	N.A.	1982	21,100,000
1983	N.A.		

N.A.-Not Available

Sales and Earnings

	Net Sales + (000's)	Net Income ‡ (000's)
1984	$ 1,720,900	$ 10,800
1983	1,471,600	33,400
1982	1,500,800	58,200
1981	1,620,800	84,100
1980	1,734,600	51,000

	No. of Com. Shares	Earn. per Share #‡
1984	16,629,416	$ 0.65
1983	16,554,609	2.02
1982	16,428,236	3.51
1981	16,687,163	5.11
1980	16,331,743	3.12

+ Of continuing operations only.
‡ Including extraordinary gains of $1,700,000 ($0.10 per share) in 1983 and $6,700,000 ($0.40 per share) in 1982.
# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Power systems	$ 403,100	$ 379,900
Service	139,100	137,800
Industrial	522,900	414,300
Commercial	235,200	175,800
Automotive	422,900	366,600
Interseg. elim.	(2,300)	(2,800)
Total	$ 1,720,900	$ 1,471,600

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.00	—	—
1983	2.00	—	—
1982	2.00	—	—
1981	1.80	—	—
1980	1.80	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 594,500	$ 35.75
1983	572,000	34.55
1982	580,200	35.31
1981	584,600	35.03
1980	543,900	33.30

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,720,900	$ 1,471,600
Cost of sales	1,212,200	1,064,100
Expenses	329,800	285,300
Interest expense	28,800	23,300
Other charges	2,200	1,500
Eq. in losses of unconsol. entities	300	3,000
Income before taxes	$ 147,600	$ 94,400
Income taxes	74,100	49,200
Minority interests	5,200	3,700
Income from cont. oper.	$ 68,300	$ 41,500
Loss from discont. oper.	(57,500)	(9,800)
Net Income	$ 10,800	$ 31,700
Extraord. gain	—	1,700
Net Income & extraord. gain	$ 10,800	$ 33,400

* Included in Costs and Expenses: Depreciation & Amortization: $55,600,000 in 1984 and $49,400,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 16,200	$ 2,300
Marketable securities	14,600	41,200
Receiv., net	305,200	280,600
*Inventories	335,300	268,600
Prepaid taxes & other exp.	36,100	47,000
Assets of discont. oper.	177,700	42,600
Current Assets	$ 885,100	$ 682,300
Assets of discont. oper.	19,700	250,700
#Fixed assets	378,800	360,700
Eq. in unconsol. entities	900	300
Other assets	132,300	52,700
Total Assets	$ 1,416,800	$ 1,346,700

Liabilities
(000's)

	1984	1983
Notes payable	$ 37,700	$ —
Long-term debt, curr.	6,000	19,900
Accts. payable	94,900	80,100
Accruals	161,400	135,900
Income taxes	9,700	26,400
Curr. Liabilities	$ 309,700	$ 262,300
Long-term debt	304,400	332,500
Other liab.	71,300	63,800
Deferred inc. taxes	58,800	41,000
Minority interests	78,100	75,100
+ Common stock	17,200	17,200
Add. paid-in capital	93,000	90,400
Retained earnings	510,500	532,900
Foreign currency translation adjustment	(8,800)	(51,100)
Treasury stock	(17,400)	(17,400)
Total Liabilities & Shareholders' Equity	$ 1,416,800	$ 1,346,700

* At lower of cost (LIFO) for domestic; FIFO for foreign) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	1.82	5.54
Sales to Inventories	5.13	5.48
Working Capital	$575,400,000	$420,000,000
Current Ratio	2.86	2.60
Shareholders' Equity	$594,500,000	$572,000,000

Measurex Corporation

One Results Way
Cupertino, California 95014
(408) 255-1500

Officers: David A. Bossen, president & chief executive officer; John C. Gingerich, exec. v.p.; Fernand Ostiguy, president-Measurex International Corporation; Jerome Raffel, sr. v.p.-operations; Robert McAdams, Jr., sr. v.p.-finance; Doris S. Bossen, v.p.-corp. communications; Laslo Dudas, v.p. & gen. mgr.-Measurex, Inc.; Harry Biehl, v.p.-systems operations, Measurex Systems, Inc.; Erik J. Hallman, v.p. & managing director, Measurex Europe Paper; Thomas A. King, v.p.-engineering; Lance M. Lissner, v.p.-Measurex International Corporation; William H. Moore, John J. Burke, Eduard C. Richter, William J. Weyand, v.p.'s, Measurex Systems, Inc.; Ralph R. Hodges, chairman & chief exec. officer-Management Decisions Development Corp.; K.L. Lusanovich, president & chief exec. officer-MDDC Systems, Ltee.; Martin F. McCarthy, managing director, Measurex Ireland, Ltd.; Phillip E. Peterson, v.p.-personnel; John G. Preston, v.p. & managing director-Measurex Europe-South; Glenn R. Wienkoop, v.p.-corporate development; Fred R. Bierbrauer, treasurer; Carl A. Thomsen, controller; John W. Larson, secretary.

Directors: Graham Tyson, Paul Bancroft, III, Dwight C. Baum, Orion L. Hoch, David A. Bossen, John W. Larson, John W. McKittrick.

Areas of Work: Develops, manufactures and markets automatic control systems (high-accuracy proprietary sensors linked to digital computers). Product line provides materials control, through output control, energy control and quality control for manufacturers in the continuous process industries.

Subsidiaries:

Measurex (Ireland) Ltd.
Industrial Estate
Waterford, Ireland

Measurex (Ireland), Ltd.
Mahon Industrial Estate
Cork, Ireland

Measurex Japan Ltd.
2-11 Higashi-kojiya 6-chome
Ohta-ku, Toyko 144
Japan

Management Decisions Development Corp.
Fairfield, Ohio

MDDC Systems, Ltee.
Montreal, Canada

Transfer Agent(s):

Bank of America, N.T. & S.A.
San Francisco, California

Stock Exchange(s): New York, Pacific

Ticker Symbol: MX

Number of Employees:

1984	2,300	1981	2,193
1983	2,050	1980	2,080
1982	2,050		

Plant Footage:

1984 264,500 sq. ft.

Sales and Earnings

	Operating Revenues	Net Income ‡
1984	$ 160,268,000	$ 14,424,000
1983	122,705,000	4,795,000
1982	118,145,000	(350,000)
1981	119,702,000	2,101,000
1980	122,033,000	7,323,000

	No. of Com. Shares #	Earn. per Share #‡
1984	8,721,000	$ 1.65
1983	7,352,000	0.65
1982	7,092,000	—
1981	7,048,000	0.30
1980	7,014,000	1.04

(Loss)
Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.
‡ Including extraordinary credit of $1,661,000 ($0.19 per share) in 1984 and $1,035,000 ($0.15 per share) in 1982.

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.2[illegible]	—	—
1983	—	—	2-for-1
1982	0.19	—	—
1981	0.25	—	—
1980	0.25	—	—

Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 110,460,000	$ 12.67
1983	81,412,000	11.07
1982	75,318,000	10.62
1981	76,570,000	10.86
1980	75,534,000	10.77

Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/2/84	11/30/83
Oper. revenues	$ 160,268	$ 122,705
Cost of sales, rentals & serv.	91,329	77,415
Expenses	37,714	28,178
New prod. devel. costs	13,211	9,362
Interest expense	1,325	1,667
Other income	(6,949)	(2,796)
Gain on sale	(2,304)	—
Income before taxes	$ 25,942	$ 8,879
Income taxes	13,179	4,084
Net Income	$ 12,763	$ 4,795
Extraordinary credit	1,661	—
Net Income & extraordinary credit	$ 14,424	$ 4,795

* Included in Costs and Expenses, Depreciation and Amortization: $2,913,000 in 1984 and $3,029,000 in 1983.

Assets
(000's)

	12/2/84	11/30/83
Cash	$ 55,532	$ 21,143
Accts. receiv., net	33,061	27,694
*Inventories	29,293	24,370
Prepaid expenses	4,650	1,188
Current Assets	$ 122,516	$ 74,395
Lease contracts receiv.	9,280	7,163
Investments	3,756	8,285
Serv. parts	8,420	11,647
#Fixed assets	23,359	23,469
Other assets	5,308	1,031
Total Assets	$ 172,639	$ 125,990

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 514	$ 3,865
Accts. payable	6,033	4,304
Accruals	31,167	21,588
Income taxes	7,196	2,325
Curr. Liabilities	$ 44,910	$ 32,082
Long-term debt	6,466	6,789
Deferred inc. taxes	10,803	5,707
+ Common stock	88	36,610
Add. paid-in capital	58,534	—
Retained earnings	57,552	44,802
For. curr. trans. adj.	(5,714)	—
Total Liabilities & Shareholders' Equity	$ 172,639	$ 125,990

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Oper. Rev.	16.19	7.24
%Net Income to Oper. Rev.	7.96	3.91
%Net Income to Equity	11.55	5.89
Working Capital	$ 77,606,000	$42,313,000
Current Ratio	2.73	2.32
Shareholders' Equity	$110,460,000	$81,412,000

Mechanical Technology Incorporated

968 Albany-Shaker Road
Latham, New York 12210
(518) 785-2211

Officers: Harry Apkarian, chairman & chief executive officer; Richard Schmidt, president & chief operating officer; Beno Sternlicht, vice-chairman of the board & technical director; John Recupero, treasurer; V.B. Boghosian, secretary.

Directors: Harry Apkarian*, chairman; Beno Sternlicht*, V.B. Boghosian, H. Kaye Kerr, Charles Janjikian*, Wayne B. Lyon*, Richard G. Mosteller*, Felix J. Ponzek, Alfred S. Howes, Iwan Akerman.

* Member of the Executive Committee.

Areas of Work: Operates in four different areas— Research & Development provides problem-solving research, development and prototype manufacturing services in mechanical engineering, electrical engineering, measurement science, and energy technology. Energy Systems develops, manufactures, and sells steam turbines and waste energy recovery systems. Quality Assurance Equipment and Instrumentation produces high accuracy inspection systems, shock and vibration testing systems, and coordinate measuring machines. Metal Fabrications manufactures decorative trim, stampings, and hardware, primarily for the auto industry.

Divisions:

Research & Development Division
968 Albany-Shaker Road
Latham, New York 12110
(518) 785-2211

Instruments Division

Ling Electronics
968 Albany-Shaker Road
Latham, New York 12210
(518) 785-22:1

L.A.B. Division
P.O. Box G
Skaneateles, New York 13152
(315) 685-5781

Stirling Engine Systems Division

Subsidiaries:

Turbonetics Energy Inc. (Majority owned)
968 Albany-Shaker Road
Latham, New York 12210
(518) 785-2211

St. Clair Metal Products Company
1721 Dove Street
Port Huron, Michigan 04860
(313) 984-5123

Transfer Agent(s):

Mrs. Betty Apkarian
968 Albany Shaker Road
Latham, New York 12110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MTIX (NASDAQ)

Number of Employees:

1984	871	1983	822

Plant Footage:

1984	310,000 sq. ft.	1983	310,000

Sales and Earnings

	Revenues +	Net Income
1984	$ 54,402,000	$ 79,000
1983	49,884,000	(5,070,00)
1982	44,910,000	22,000
1981	39,746,000	3,048,000
1980	34,395,000	2,863,000

	No. of Com. Shares	Earn. per Share #
1984	3,516,268	$ 0.03
1983	2,816,268	—
1982	2,815,068	0.01
1981	2,782,248	1.04
1980	3,421,868	0.92

(Loss)
+ Of continuing operations only.
Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 19,681,000	$ 5.60
1983	14,702,000	5.22
1982	19,767,000	7.02
1981	19,968,000	7.18
1980	26,407,000	7.72

Income Account *

Year ended Sept. 30	1984	1983
Sales	$ 54,402,000	$ 49,884,000
Cost of sales	40,166,000	40,639,000
Expenses	10,230,000	9,945,000
Prod. develop. costs	1,359,000	1,734,000
Oper. profit (Loss)	$ 2,647,000	$ (2,434,000)

	1984	1983
Interest expense	1,057,000	895,000
Other income	(137,000)	(479,000)
Income (loss) bef. taxes	$ 1,727,000	$ (2,850,000)
Income taxes (credit)	665,000	(1,072,000)
Inc. (loss) from cont. oper.	$ 1,062,000	$ (1,778,000)
Loss from discont. oper.	(954,000)	(3,142,000)
Loss on disposal of Acoustic Emission Technology	(29,000)	(150,000)
Net Income (Loss)	$ 79,000	$ (5,070,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,662,000 in 1984 and $1,340,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash & cert. of dep.	$ 258,000	$ 346,000
Refundable income taxes	484,000	2,598,000
Receiv., net	11,179,000	10,505,000
*Inventories	6,485,000	4,391,000
Assets of discont. oper.	3,610,000	3,443,000
Deferred income taxes	622,000	622,000
Prepaid expenses	705,000	366,000
Current Assets	$ 23,343,000	$ 22,271,000
@Fixed assets	9,270,000	9,216,000
Other assets	3,800,000	4,134,000
Total Assets	$ 36,413,000	$ 35,621,000

Liabilities

	1984	1983
Notes payable	$ 4,857,000	$ 3,769,000
Long-term debt & cap. leases, curr.	2,795,000	1,341,000
Accts. payable	3,110,000	4,460,000
Accrued & other liabilities	3,269,000	2,695,000
Curr. Liabilities	$ 14,031,000	$ 12,265,000
Long-term debt & cap. leases	312,000	7,061,000
Deferred federal income taxes	780,000	780,000
Minority interest	1,609,000	813,000
+Common stock	3,516,000	2,816,000
Add. paid-in capital	12,995,000	8,795,000
Retained earnings	3,170,000	3,091,000
Total Liabilities & Shareholders' Equity	$ 36,413,000	$ 35,621,000

* At lower of cost (FIFO) or market.
@ Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Net Income to Equity	0.40	—
Sales to Inventories	8.39	11.36
Working Capital	$ 9,312,000	$10,006,000
Current Ratio	1.66	1.82
Shareholders' Equity	$19,681,000	$14,702,000

Medtronic, Inc.

3055 Old Highway Eight
P.O. Box 1453
Minneapolis, Minnesota 55440
(612) 574-4000

Officers: Earl E. Bakken, chairman of the board; Dale R. Olseth, president & chief executive officer; Charles F. Cuddihy, Jr., exec. v.p.-corporate marketing; Donald R. Stone, sr. v.p., product assurance & regulatory affairs; R.J. Dittrich, v.p., secretary & general counsel; Richard L. Fast, v.p.-components & instruments group; Gerard C. Planchon, v.p.-international group; Lawrence J. Whalen, v.p.-new business group; John A. Meslow, v.p.-personnel & human resources; Whitney A. McFarlin, v.p.-pacing systems groups; Michael J. Borris, treasurer; Richard W. Nunn, asst. treasurer; William E. Drake, asst. secretary; Franklin R. Rick, controller.

Directors: Earl E. Bakken, Thomas E. Holloran, Gerald W. Simonson, Richard L. Schall, Dale R. Olseth, Winston R. Wallin, Richard E. Horner, F. Caleb Blodgett, Richard A. Swalin, Glen D. Nelson, Vernon H. Heath.

Areas of Work: Designs, manufactures and markets cardiac pacemakers and other cardiovascular, neurological and rehabilitative medical devices, patient monitoring & follow-up services, prosthetic heart valves and nuclear and ultra-sound imaging software.

Divisions and Subsidiaries:

Applied Concepts Research Division

Energy Technology Division

Andover Medical, Incorporated
Manufactures disposable electrodes and cable systems.

Micro-Rel Division
2343 W. 10th Place
Tempe, Arizona 85283
(602) 968-6411

Medtronic Fabrication
Zone Industrielle Sud
Route d'Anor
59610 Fourmies, France

New England Research Center Division
45 William Street
Wellesley, Massachusetts

Medtronic Physiological Research Laboratories
1500 Northdale Boulevard
Coon Rapids, Minnesota 55433

Medtronic Biomedical Pty. Ltd.
Suite 8
409 King George's Road
Beverly Hills
2209 N.S.W.
Australia

Medtronic do Brasil Ltda.
Avenida Tamboreq 1433
Alphaville,
06400 Barueri
Sao Paulo, Brazil

Medtronic of Canada Ltd.
6733 Kitimat Rd.
Mississauga, Ontario L5N 1W3
Canada
(416) 826-6020

Medical Data Systems Division
2311 Green Road
Ann Arbor,Michigan 48105

Medtronic B.V.
Wenckebachstraat, 10
6466 Kerkrade-West
The Netherlands

Cardiocare Division
425 East 61st Street
New York, New York 10021

Med Rel, Inc.
P.O. Box 8687
Humacao, Puerto Rico 00661

Medtronic Puerto Rico, Inc.
P.O. Box M
Villalba, Puerto Rico 00766

Energy Technology
6700 Shingle Creek Parkway
Brooklyn Center, Minnesota 55430

Transfer Agent(s):

Northwestern Trust Company of New York
New York, New York

Northwestern National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): New York

Ticker Symbol: MDT

Number of Employees:

1984	5,219	1981	4,950
1983	5,065	1980	4,643
1982	4,856		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 422,737,000	$ 59,123,000
1983	396,403,000	54,149,000
1982	347,301,000	47,851,000
1981	323,266,000	41,874,000
1980	279,013,000	39,318,000

	No. of Com. Shares @	Earn. per Share @
1984	16,263,000	$ 3.64
1983	16,209,000	3.34
1982	16,090,000	2.97
1981	15,934,000	2.63
1980	N.A.	2.49

N.A.-Not Available.
+ Includes commissions.
@ Based on weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.72	—	—
1983	0.64	—	—
1982	0.56	—	—
1981	0.48	—	—
1980	0.30	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 335,414,000	$ 20.69
1983	291,800,000	17.94
1982	245,500,000	15.19
1981	204,500,000	12.67
1980	170,200,000	10.72

+ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended April 30	1984	1983
Net sales & commissions	$ 422,737	$ 396,403
Cost of sales	156,836	150,208
Expenses	196,709	177,652
Interest expense	3,054	5,678
Interest income	(10,711)	(8,903)
Income before taxes	$ 76,849	$ 71,768
Income taxes	17,726	17,619
Net Income	$ 59,123	$ 54,149

* Included in Costs and Expenses, Depreciation and Amortization: $21,905,000 in 1984 and $22,178,000 in 1983.

Assets
(000's)

As of April 30	1984	1983
Cash & temp. invest.	$ 116,478	$ 74,749
Accts. receiv., net	104,265	92,893
*Inventories	88,217	96,796
Prepaid expenses	6,730	11,077
Prepaid inc. taxes	4,199	3,849

Current Assets	$	319,889	$	279,364
Market. securities		16,541		16,162
#Fixed assets		110,689		103,951
Other assets		12,733		17,539
Total Assets	$	459,852	$	417,016

Liabilities
(000's)

Short-term borrowings	$	18,185	$	18,858
Accts. payable		26,957		27,837
Accrued payroll		18,034		18,928
Accruals		18,453		16,118
Income taxes		4,802		9,273
Curr. Liabilities	$	86,431	$	91,014
Long-term debt		11,792		13,165
Product warranties		13,111		12,644
Deferred inc. taxes		13,104		8,394
+ Common stock		1,621		1,627
Add paid-in capital		50,613		52,908
Retained earnings		288,650		241,234
Cum. trans. adjust		(5,470)		(3,970)
Total Liabilities & Shareholders' Equity	$	459,852	$	417,016

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Sales	18.19 %	18.10
%Net Income to Sales	13.99	13.66
%Net Income to Equity	17.63	18.56
Sales to Inventories	4.79	4.10
Working Capital	$233,458,000	$188,350,000
Current Ratio	3.70	3.07
Shareholders' Equity	$335,414,000	$291,799,000

Megadata Corporation

35 Orville Drive
Bohemia, New York 11716
(516) 589-6800

Officers: Y. N. Bachana, chairman of the board & president; John R. Keller, exec. v.p. & secretary; Biagio Inzerillo, v.p. programming

Directors: Yitzhak N. Bachana, chairman; John R. Keller; Biagio Inzerillo; Richard R. Schilling, Jr.; Ronald S. Goldstein; Paul Alessandrini

Areas of Work: Designs and assembles intelligent video display computer terminals and develops the related software, tailored to serve the specific business applications of its customers. The products are marketed for use in systems related to international monetary transfers for commercial banks; ground communications for airlines; text editing for news wire services and newspapers; data collection for telephone facilities; word processing systems for general office use; inventory control for large retail chains; and the monitoring of process controls for certain industries.

Subsidiaries:

MEGADATA Computer International, Inc.
TSD Display Products, Inc.
35 Orville Drive
Bohemia, New York 11716
(516) 589-6800

TSD Display Products, Inc.
302 Legget Drive
Kanata, Ontario K2K 1Y5
Canada
Develops, manufactures and markets touch screen digitizers, display monitors, and welded wire frames.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MDTA (NASDAQ)

Sales and Earnings

		Net Sales		Net Income
1984	$	15,045,405	$	1,552,725
1983		11,627,703		934,876
1982		9,227,072		710,010
1981		9,026,937		626,764
1980		9,114,836		287,294

	No. of Com. Shares +	Earn. per Share #
1984	2,303,100	$ 0.67
1983	2,303,100	0.41
1982	2,303,100	0.31
1981	2,285,680	0.29
	2,269,000	0.13

+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1

Common Stock Equity

		Total Equity	Equity Per Share #
1984	$	6,885,736	$ 2.99
1983		5,333,011	2.32
1982		4,398,135	1.91
1981		3,688,125	1.61
1980		2,964,737	1.31

Adjusted to reflect stock split.

Income Account *

Year ended Oct. 31		1984		1983
Net sales	$	15,045,405	$	11,627,703
Cost of sales		10,120,318		7,905,118
Expenses		2,121,093		2,022,444
Interest income		(49,540)		(56,513)
Interest expense		40,809		4,778
Income before taxes	$	2,812,725	$	1,751,876
Income taxes		1,260,000		817,000
Net Income	$	1,552,725	$	934,876

* Included in Costs and Expenses, Depreciation and Amortization: $548,531 in 1984 and $380,690 in 1983.

Assets

As of October 31		1984		1983
Cash	$	943,668	$	1,218,881
Accts. receiv., net		1,870,753		1,466,951
*Inventories		3,586,007		3,036,568
Prepaid expenses		119,717		100,866
Current Assets	$	6,520,145	$	5,823,266
#Fixed assets		2,063,501		1,143,503
Other assets		11,452		13,067
Total Assets	$	8,595,098	$	6,979,836

Liabilities

Accts. payable	$	873,113	$	834,901
Accruals		655,540		478,952
Income taxes		48,401		134,155
Curr. Liabilities	$	1,577,054	$	1,448,008
Deferred inc. taxes		132,308		198,817
+ Common stock		23,031		23,031
Add. paid-in capital		1,883,731		1,883,731
Retained earnings		4,978,974		3,426,249
Total Liabilities & Shareholders' Equity	$	8,595,098	$	6,979,836

* At lower of cost (FIFO) or market (replacement cost)
# Less accumulated depreciation
+ $0.01 par value

Statistical Summary

%Income bef. Taxes to Sales	18.69	15.07
%Net Income to Sales	10.32	8.04
%Net Income to Equity	22.55	17.53
Sales to Inventories	4.20	3.83
Working Capital	$4,943,091	$4,375,258
Current Ratio	4.13	4.02
Shareholders' Equity	$6,885,736	$5,333,011

Methode Electronics, Inc.

7444 West Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600

Officers: William J. McGinley, president; William T. Jensen, executive vice president; Kevin Hayes, v.p. & treasurer; Robert C. Keck, secretary; Dennis L. Stalzer, exec. v.p.; Michael G. Andre, exec. v.p., Interconnect Products Div.

Directors: William J. McGinley, William T. Jensen, George C. Wright, Robert C. Keck, Raymond J. Roberts, William C. Croft

Areas of Work: Develops and manufactures electronic component devices, including printed circuits, connectors, switches, busbars and back-planes, used in the production of equipment such as computers, communication systems and consumer electronic equipment.

Divisions and Subsidiaries:

Methode Development Corp.
7447 W. Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600
Electronic chemicals, materials, process refinement

Printed Circuit Division
7444 W. Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600
Printed circuits

Methode Electronics, Inc. East
Printed Circuit Division
One Industrial Park, Box M
Willingboro, New Jersey 08046
(609) 871-3500

Methode Electronics, Inc.-Rolling Meadows Division
1700 Hicks Road
Rolling Meadows, Illinois 60008
(312) 392-3500
Power/signal distribution systems, laminar bus bars, backplanes, voltage and ground plane distribution systems

Connector Division
7447 W. Wilson Avenue
Chicago, Illinois 60656
(312) 867-9600
Connectors-card receptable, rack and panel, punched plate, connector circuit, card panel assemblies and wire panels, plyoduct conductor cables

Graphic Research Inc.
9334 Mason Avenue
Chatsworth, California 91311
(213) 886-7340
Printed circuits

Technical Components Company
6633 W. 99th Street
Chicago, Illinois 60415
(312) 735-7363
High voltage leads and harnesses, jacks, and jack panel assemblies

Carthage Precision Electric Co.
111 Buchanan Street
Carthage, Illinois 62221
(217) 357-3941
Special switches

Methode Electronics, Inc.

Trace Instruments Division
P.W.R., Inc.
9020 Eton Avenue
Canoga Park, California 91304
(213) 341-5593
Electronic testing equipment

Transfer Agent(s):

Continental Illinois National Bank and
Trust Company of Chicago
Chicago, Illinois

Stock Exchange(s): Over-the-Counter

Ticker Symbol: METH (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 66,349,215	$ 3,159,617
1983	53,176,355	2,321,106
1982	45,185,155	1,671,214
1981	44,665,909	848,618
1980	44,290,168	996,789

	No. of Com. Shares†	Earn. per Share†
1984	4,390,000	$ 0.72
1983	3,742,000	0.62
1982	3,420,000	0.48
1981	3,420,000	0.24
1980	3,420,000	0.28

† Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.22	—	2-for-1
1983	0.215	—	2-for-1
1982	0.20	—	—
1981	0.20	—	—
1980	0.20	—	—

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity ‡	Equity Per Share†
1984	$ 20,532,234	$ 4.65
1983	17,577,801	4.04
1982	10,921,071	3.19
1981	9,611,857	2.81
1980	9,005,239	2.64

‡ After allowing for preferred stock at par value of $100 per share.
† Adjusted to reflect stock splits.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 66,349,215	$ 53,176,355
Other income	587,013	444,829
Total Income	$ 66,936,228	$ 53,621,184
Cost of sales	49,562,323	39,426,804
Expenses	11,319,199	9,426,913
Interest expense	655,089	701,361
Income before taxes	$ 5,399,617	$ 4,066,106
Income taxes	2,240,000	1,745,000
Net Income	$ 3,159,617	$ 2,321,106

* Included in Costs and Expenses, Depreciation and Amortization: $2,076,716 in 1984 and $1,543,928 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 3,536,985	$ 5,380,765
Accts. receiv., net	9,462,997	7,947,473
*Inventories	9,248,494	7,281,828
Prepaid expenses	413,894	154,127
Current Assets	$ 22,662,370	$ 20,764,193
#Fixed assets	12,978,842	11,189,007
Other assets	181,612	222,934
Total Assets	$ 35,822,824	$ 32,176,134

Liabilities

Long-term debt, curr.	$ 484,893	$ 481,140
Accts. payable	4,532,566	4,603,169
Accruals	905,494	658,308
Accrued payroll	1,957,184	1,401,030
Income taxes	441,443	547,209
Curr. Liabilities	$ 8,321,580	$ 7,690,856
Long-term debt:		
Bank note	3,950,000	4,370,000
Mortgage	704,413	749,384
Equip. contract	920,000	340,000
Deferred inc. taxes	490,000	491,000
Def. compensation	804,597	657,093
+ Preferred stock	100,000	300,000
+ + Common stock, class A	1,406,278	668,626
+ + Common stock, class B	814,937	424,474
Add. paid-in capital	4,759,465	5,457,580
Retained earnings	13,729,960	11,071,327
Treasury stock	(44,206)	(44,206)
Total Liabilities & Shareholders' Equity	$ 35,822,824	$ 32,176,134

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value, Series A, 4% cumulative convertible.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.14	7.65
%Net Income to Sales	4.76	4.36
%Net Income to Equity	15.31	12.98
Sales to Inventories	7.17	7.30
Working Capital	$14,340,790	$13,073,337
Current Ratio	2.72	2.20
Shareholders' Equity	$20,632,234	$17,877,801

Metra Electronics Corporation

660 McDonald Avenue
Brooklyn, New York 11218
(718) 871-4100

Officers: Michael M. Somma, president; William H. Jones, v.p.; Nina Proko secretary & treasurer.

Directors: Michael M. Somma, William H. Jones, Nina Proko, Gasper Cafiero, Joseph P. Conte.

Areas of Work: Develops, manufactures and markets custom automotive sound installation kits, in-dash stereo tape player kits, solid state relays, power supplies and automobile burglar alarm systems.

Transfer Agent(s):

Chase Manhattan Bank, N.A.
1 New York Plaza
New York, New York 10015

Stock Exchange(s): Over-the-Counter

Plant Footage:

1982	62,500 sq. ft.	1980	62,500
1981	62,500	1979	32,500

Sales and Earnings

	Net Sales	Net Income
1984	$ 5,339,236	$ 179,599
1983	3,085,997	(252,032)
1982	3,381,864	(29,379)
1981	3,522,872	(92,291)
1980	4,696,510	(89,422)

	No. of Com. Shares	Earn. per Share †
1984	574,418	$ 0.31
1983	574,418	—
1982	574,418	—
1981	574,418	—
1980	574,418	—

(Loss)
† Based on the number of shares outstanding during each period.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,567,433	$ 4.47
1983	2,387,834	4.16
1982	2,606,578	4.54
1981	2,673,157	4.65
1980	2,763,656	4.81

Income Account *

Year ended March 31	1984	1983
Net sales	$ 5,339,236	$ 3,085,997
Other income	81,119	306,667
Total income	$ 5,420,355	$ 3,392,664
Cost of sales	3,847,035	2,582,241
Expenses	1,379,895	1,061,280
Income (Loss) before taxes	$ 193,425	$ (250,857)
Income taxes	13,826	1,175
Net Income (Loss)	$ 179,599	$ (252,032)

* Included in Costs and Expenses, Depreciation: $195,879 in 1984 and $201,391 in 1983.

Assets

As of March 31	1984	1983
Cash & cash equiv.	$ 415,505	$ 731,860
Accts. receiv., net	483,250	465,415
*Inventories	1,037,358	560,137
Prepaid expenses	33,024	60,357
Refund inc. taxes	—	23,932
Mortg. receiv.	20,329	18,403
Current Assets	$ 1,989,466	$ 1,860,104
#Fixed assets	967,009	1,042,754
Other assets	271,547	294,432
Total Assets	$ 3,228,022	$ 3,197,290

Liabilities

Accts. payable	$ 130,431	$ 223,916
Notes payable	156,094	68,089
Accruals	103,439	131,061
Pension liability	42,000	42,280
Deferred compensation	122,020	97,020
Curr. Liabilities	$ 553,984	$ 562,366
Long-term debt	106,605	247,090
+ Common stock	11,488	11,488
Add. paid-in capital	322,084	322,084
Retained earnings	2,281,686	2,102,087
Treasury stock	(47,825)	(47,825)
Total Liabilities & Shareholders' Equity	$ 3,228,022	$ 3,197,290

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.02 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.62	—
%Net Income to Sales	3.36	—
%Net Income to Equity	7.00	—
Sales to Inventories	5.15	5.51
Working Capital	$1,435,482	$1,297,738
Current Ratio	3.59	3.31
Shareholders' Equity	$2,567,433	$2,387,834

Metro Tel Corp.

15 Burke Lane
Syosset, New York 11791
(516) 364-3377

Officers: Venerando J. Indelicato, president, chief executive officer & treasurer; Sheppard Bendler, secretary

Directors: Sheppard Bendler, Venerando J. Indelicato, Lloyd Frank, Michael Michaelson

Areas of Work: Engaged in the manufacture of telephone test and maintenance equipment, telephone subscriber equipment, telephone power supplies and coupling units and chemically-heated soldering irons.

Subsidiaries:

Kenmode Mfg. Co. Inc.
15 Burke Lane
Syosset, New York 11791

Transfer Agent(s):

Registrar & Transfer Co.
10 Commerce Drive
Cranford, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MTRO (NASDAQ)

Number of Employees:

1984	N.A.	1981	55
1983	54	1980	55
1982	48		

Plant Footage:

1984	N.A.	1981	23,000
1983	23,000 sq. ft.	1980	23,000
1982	23,000		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income †
1984	$ 4,846,932	$ 422,108
1983	3,834,065	294,312
1982	3,404,070	232,851
1981	3,084,326	209,556
1980	2,949,001	237,178

	No. of Com. Shares	Earn. per Share †#
1984	1,661,199	$ 0.24
1983	1,324,033	0.17
1982	1,324,033	0.13
1981	1,324,033	0.12
1980	1,319,033	0.14

† Including extraordinary gains of $17,794 ($0.01 per share) in 1983 and $33,956 ($0.02 per share) in 1980.
# Based on the weighted average number of shares outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ .025	5%	—
1983	.025	—	5-for-4‡
1982	.025	—	—
1981	.025	—	—
1980	.02	—	—

‡ Paid on July 29, 1983.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,996,188	$ 1.20
1983	1,611,272	1.22
1982	1,350,061	1.02
1981	1,150,311	0.87
1980	971,231	0.74

Income Account *

Year ended June 30	1984	1983
Net sales	$ 4,846,932	$ 3,834,065
Cost of sales	3,066,655	2,465,580
Expenses	942,855	785,853
Interest expense	77,402	83,648
Income before taxes	$ 760,020	$ 498,984
Income taxes	337,912	222,466
Net Income	$ 422,108	$ 276,518
Extraordinary gain	—	17,794
Net Income & extraordinary gain	$ 422,108	$ 294,312

* Included in Cost and Expenses, Depreciation and Amortization: $56,678 in 1984 and $48,248 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 367,473	$ 92,392
Accts. receiv., net	919,797	735,814
*Inventories	1,448,797	1,430,633
Prepaid expenses	28,138	22,737
Current Assets	$ 2,764,205	$ 2,281,576
#Fixed assets	144,919	144,997
Other assets	370,080	378,520
Total Assets	$ 3,279,204	$ 2,805,093

Liabilities

	1984	1983
Long-term debt, curr.	$ 130,000	$ 130,000
Cap. lease oblig., curr.	7,375	9,955
Accts. payable	411,515	261,118
Accruals	144,715	130,390
Warranties payable	19,564	17,473
Income taxes	116,133	71,565
Curr. Liabilities	$ 829,302	$ 620,501
Long-term debt	390,000	520,000
Cap. lease oblig.	24,265	17,205
Deferred income taxes	39,449	36,115
+ Common stock	41,530	33,101
Add. paid-in capital	704,551	707,980
Retained earnings	1,250,107	870,191
Total Liabilities & Shareholders' Equity	$ 3,279,204	$ 2,805,093

* At lower of cost (weighted average) or market.
# Less accumulated depreciation and amortization.
+ $0.025 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	15.68	13.01
%Net Income to Sales	8.71	7.68
%Net Income to Equity	21.15	17.16
Sales to Inventories	3.35	2.68
Working Capital	$1,934,903	$1,661,075
Current Ratio	3.33	3.68
Shareholders' Equity	$1,996,188	$1,611,272

MICOM Systems, Inc.

20151 Nordhoff Street
Chatsworth, California 91311
(818) 998-8844

Officers: William A. Norred, president & chief executive officer; Roger L. Evans, executive v.p.; Stephen W. Frankel, sr. v.p.-marketing and development; Christopher G. Kenber, sr. v.p.-field operations; James F. Graves, v.p.-operations planning; David F. Hemmings, v.p.-marketing and development; Gerald P. Malec, v.p.-sales; Michael E. Barker, v.p.-manufacturing operations; Robert A. Weaver, corp. v.p., finance & administration, chief financial officer, secretary & treasurer.

Directors: John M. Thornton, chairman; William A. Norred, Roger L. Evans, David M. Goodman, Stewart H. Greenfield, Thomas F. Stephenson, Sally B. Thornton, Charles P. Waite.

Areas of Work: The company is a leading producer of microcomputer-based data communications products. MICOM's products enable its customers, primarily minicomputer users, to more economically and efficiently communicate data among computer terminals and computers.

The products are in three major categories: remote communications applications, where data is transmitted primarily over leased telephone lines; local network applications, where terminals and their host computers are located within a building or complex of buildings; and catalog sales of low-cost data communications devices.

Divisions and Subsidiaries:

Black Box Corporation
Mayview Road at Park Drive
Lawrence, Pennsylvania 15055
(412) 746-2910

INSTANET Cable, Inc.
One Map Hill Drive
Babson Park, Massachusetts 02157
(617) 235-5964

MICOM-Borer Ltd.
Bel Court
15 Cradock Road
Reading, Berkshire RG2 OJT,
United Kingdom (073)

MICOM Caribe, Inc.
Vicks Merrell Drive, Lot 10
Cayey, Puerto Rico 00633
(809) 738-4221

Acquisition(s):

Micro-Baud Systems Inc.
Santa Clara, California
Manufactures low speed dial-up modems.

Kertech Corporation
Babson Park, Massachusetts
Provides cable and cabling installation services for local network communications in the New England area.

Industrial Computer Controls Inc.
Cambridge, Massachusetts
Develops low-cost terminals and software.

Transfer Agent(s):

Security Pacific National Bank
Shareholder Relations Department
P.O. Box 3546, Terminal Annex
Los Angeles, CA 90051

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MICS (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 132,540,000	$ 20,722,000
1983	84,276,000	13,434,000
1982	57,671,000	8,696,000
1981	36,445,000	4,213,000
1980	16,940,000	1,823,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	15,434,000	$ 1.34
1983	14,658,000	0.92
1982	14,188,000	0.61
1981	12,174,000	0.35
1980	11,374,000	0.16

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 113,196,000	$ 7.33
1983	58,530,000	3.99

1982	44,205,000	3.12
1981	8,631,000	0.71
1980	4,418,000	0.39

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Mar. 31	1984	1983
Net sales	$ 132,540	$ 84,276
Cost of sales	57,849	37,974
Expenses	46,989	29,677
Interest expense	306	111
Interest income	(2,097)	(2,706)
Income before taxes	$ 29,493	$ 19,220
Income taxes	8,771	5,786
Net Income	$ 20,722	$ 13,434

* Included in Costs and Expenses, Depreciation and Amortization: $3,797,000 in 1984 and $2,090,000 in 1983.

Assets
(000's)

As of Mar. 31	1984	1983
Cash & cash equiv.	$ 11,903	$ 26,151
Accts. receiv., net	33,746	18,234
*Inventories	29,012	11,901
Def. tax benefit	1,077	501
Other curr. assets	5,263	1,101
Current Assets	$ 81,001	$ 57,888
Investments	12,035	2,500
#Fixed assets	37,225	9,292
Other assets	5,053	374
Total Assets	$ 135,314	$ 70,054

Liabilities
(000's)

	1984	1983
Notes payable	$ 1,099	$ —
Long-term debt, curr.	282	121
Accts. payable	8,498	4,275
Accruals	2,447	1,268
Accrued payroll	6,518	3,355
Income taxes	1,429	1,964
Curr. Liabilities	$ 20,273	$ 10,983
Long-term debt	1,362	148
Deferred inc. taxes	483	393
+ Common stock	64,755	30,071
Retained earnings	49,744	29,022
Cum. trans. adjust.	(603)	(563)
Notes receivable - stock issue	(700)	—
Total Liabilities & Shareholders' Equity	$ 135,314	$ 70,054

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	22.25	22.81
%Net Income to Sales	15.63	15.94
%Net Income to Equity	18.31	22.95
Sales to Inventories	4.57	7.08
Working Capital	$ 60,728,000	$46,905,000
Current Ratio	4.00	5.27
Shareholders' Equity	$113,196,000	$58,530,000

Micro Mask, Inc.

695 Vaqueros Avenue
Sunnyvale, California 94086
(408) 245-7342

Officers: Joseph C. Ross, Jr., chairman of the board & president; Robert D. Enochs, exec. v.p.; Arthur W. Launder, v.p. & gen. mgr., Micro Mask Division; Johnny H. Ashcraft, v.p., controller & treasurer; Donald J. Holthaus, v.p. & asst. secretary; Russell W. Weiss, v.p. marketing; O.W. Bynum, v.p. & gen. mgr., Tranex Division; Daniel Del Rosario, v.p. & gen. mgr., EMC Division; Victor A. Hebert, secretary.

Directors: Joseph C. Ross, Jr., chairman; Joseph Chulick, Jr.; Noel J. Fenton; Gordon E. Moore; Isaac Stein; Robert D. Enochs; Bert P. Levin.

Areas of Work: Manufacturer of photomasks and hard surface photoplates required in the design, engineering and production of integrated circuits and semiconductors. Also produces a broad line of custom designed, wire-wound magnetic components for the electronics industry.

Divisions and Subsidiaries:

Micro Mask Division
Sunnyvale, California
Supplier of photomasks for the semiconductor and integrated circuit markets.

EMC Division
Azusa, California
Supplier of hard surface glass photoplates, required for manufacturing hard surface photomasks, used in the production of integrated circuits.

Tranex Division
Sunnyvale, Angel's Camp, California
and Colorado Springs, Colorado
Manufactures custom designed products such as transformers, chokes, filters, coils and reactors for various electronic applications. The components are used in test instruments, medical instrumentation, data processing and telecommunications equipment, lasers, computers and terminals.

Transfer Agent(s):

First National Bank of Boston
Shareholder Services Divison
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over the Counter

Ticker Symbol: MCRO (NASDAQ)

Number of Employees:

1984	420	1982	420
1983	415	1981	440

Plant Footage:

1984	132,000 sq. ft.	1982	150,000
1983	150,000	1981	150,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 26,726,000	$ 1,623,000
1983	25,804,000	1,581,000
1982	24,538,000	1,581,000
1981	21,859,000	1,389,000
1980	22,531,000	1,816,000

	No. of Com. Shares #	Earn. per Share #
1984	1,949,679	$ 0.83
1983	1,925,420	0.82
1982	1,893,247	0.84
1981	1,862,482	0.75
1980	1,826,141	0.99

# Based on the weighted average number of common shares and, when material, common share equivalents outstanding during the period, adjusted to reflect stock dividend and stock split.

Revenues By Line of Business

	1984	1983
Integrated circuit prods.	$ 21,904,000	$ 20,944,000
Electronic components	4,822,000	4,860,000
Total	$ 26,726,000	$ 25,804,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	10%	—
1982	—	—	—
1981	—	—	3 for 2
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 16,759,000	$ 8.60
1983	14,952,000	7.72
1982	13,062,000	6.87
1981	11,340,000	6.04
1980	9,632,000	5.25

‡ Adjusted to reflect stock dividend and stock split.

Income Account *
(000's)

Year ended	9/30/84	9/30/83
Net sales	$ 26,726	$ 25,804
Cost of sales	20,147	18,653
Expenses	4,568	4,503
Interest expense	113	81
Income before taxes	$ 1,898	$ 2,567
Income taxes	275	986
Net Income	$ 1,623	$ 1,581

* Included in Costs and Expenses, Depreciation and Amortization: $2,367,000 in 1984 and $1,960,000 in 1983.

Assets
(000's)

As of	9/30/84	9/30/83
Cash	$ 461	$ 485
Accts. receiv., net	4,101	4,327
*Inventories	2,993	2,565
Prepaid expenses	31	97
Refund inc. taxes	386	290
Current Assets	$ 7,972	$ 7,764
#Fixed assets	18,974	12,767
Deposits & other assets	390	411
Total Assets	$ 27,336	$ 20,942

Liabilities
(000's)

	9/30/84	9/30/83
Long-term debt, curr.	$ 887	$ 179
Accts. payable	1,414	1,269
Accrued payroll	774	838
Other curr. liab.	211	267
Curr. Liabilities	$ 3,286	$ 2,553
Long-term debt	5,568	2,101
Deferred inc. taxes	1,723	1,336
+ Common stock	1,956	1,937
Add. paid-in capital	3,628	3,463
Retained earnings	11,175	9,552
Total Liabilities & Shareholders' Equity	$ 27,336	$ 20,942

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	9/30/84	9/30/83
%Income bef. Taxes to Sales	7.10	9.95
%Net Income to Sales	6.07	6.13
%Net Income to Equity	9.68	10.57
Sales to Inventories	8.93	10.06
Working Capital	$ 4,686,000	$ 5,211,000
Current Ratio	2.43	3.04
Shareholders' Equity	$16,759,000	$14,952,000

Microdyne Corporation

P.O. Box 7213
491 Oak Road
Silver Springs Shores Industrial Park
Ocala, Florida 32672
(904) 687-4633

Officers: Louis H. Wolcott, chairman of the board, president & chief executive officer; Donald L. Feller, exec. v.p. & secretary; Michael S. Balbes, Hank S. Lin, v.p.'s; Eugene R. Day, v.p.-finance, treasurer & chief financial officer; R.B. Elsea, v.p.-marketing/Telemetry Products; David L. Alvarez, v.p.-marketing/Satellite Communications.

Directors: Louis H. Wolcott, chairman; Donald L. Feller, Vincent M. Noonan, Michael S. Balbes, Hank S. Lin, Carl H. Cahill, Sean Boland.

Areas of Work: Electronic hardware manufacturer specializing in sophisticated radio receivers and related test equipment. These products are used in satellite communications (data, TV and weather), electronic surveillance systems, specialized ground communications, and in the testing of airplanes, guided missiles, and automobiles.

Divisions:

Telemetry Division
P.O. Box 1527
627 Lofstrand Lane
Rockville, Maryland 20850
(301) 762-8500

Antennas for Communications
334 Cypress Road
Silver Springs Shores Industrial Park
Ocala, Florida 32672
(904) 687-4121

Rockville Operations
P.O. Box 1527
627 Lofstrand Lane
Rockville, Maryland 20850
(301) 762-8500

Cumberland Operations
11950 Upper Potomac
Valley Industrial Park
Cumberland, Maryland 21502

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MCDY (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 27,974,683	$ 221,837
1983	23,660,667	1,403,043
1982	24,910,854	2,093,467
1981	29,019,263	4,084,867
1980	23,714,720	3,204,934

	No. of Com. Shares †	Earn. per Share +
1984	4,684,648	$ 0.05
1983	4,613,648	0.30
1982	4,588,630	0.45
1981	4,551,460	0.93
1980	3,990,369	0.77

† Adjusted to reflect stock split.
+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.06	—	—
1983	0.06	—	—
1982	0.06	—	—
1981	0.06	—	—
1980	0.067	—	3-for-2

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 33,688,146	$ 7.19
1983	34,287,481	7.39
1982	33,402,121	7.28
1981	31,888,972	7.01
1980	13,837,730	3.47

‡ Adjusted to reflect stock split.

Income Account *

Year ended	10/28/84	10/30/83
Net sales	$ 27,974,683	$ 23,660,667
Cost of sales	21,586,870	18,385,163
Expenses	4,456,186	3,995,153
Interest income	(526,905)	(1,025,793)
Income before taxes	$ 2,458,532	$ 2,306,144
Income taxes	1,078,000	784,000
Loss in joint venture	1,158,695	119,101
Net Income	$ 221,837	$ 1,403,043

* Included in Costs and Expenses, Depreciation and Amortization: $952,063 in 1984 and $899,549 in 1983.

Assets

As of	10/28/84	10/30/83
Cash	$ 942,930	$ 4,133,562
Marketable securities	160,891	508,275
Accts. receiv., net	11,623,830	8,664,760
*Inventories	12,853,889	12,829,870
Prepaid expenses	76,362	71,612
Income taxes	1,131,706	605,063
Current Assets	$ 26,789,608	$ 26,813,142
#Fixed assets	4,887,576	5,153,231
Other assets	6,734,794	5,322,938
Total assets	$ 38,411,978	$ 37,289,311

Liabilities

Notes payable	$ 72,653	$ 70,626
Cap. lease oblig., curr.	12,884	11,174
Loans payable	1,307,661	—
Accts. payable	1,128,600	999,031
Accruals	1,238,031	910,358
Dividends payable	136,729	138,265
Curr. Liabilities	$ 3,896,558	$ 2,129,454
Long-term debt	562,526	646,628
Deferred tax credit	264,748	225,748
+ Common stock	468,465	468,465
Add. paid-in capital	21,485,512	21,485,512
Investment loss	(150,000)	(83,795)
Retained earnings	13,028,763	13,080,268
Treasury stock	(1,144,594)	(662,969)
Total Liabilities & Shareholders' Equity	$ 38,411,978	$ 37,289,311

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.79	9.74
%Net Income to Sales	0.79	5.92
%Net Income to Equity	0.66	4.09
Sales to Inventories	2.18	1.84
Working Capital	$22,893,050	$24,683,688
Current Ratio	6.88	12.59
Shareholders' Equity	$33,688,146	$34,287,481

Micropac Industries, Inc.

905 East Walnut Street
P.O. Box 469017
Garland, Texas 75046
(214) 272-3571

Officers: Nicholas Nadolsky, chairman of the board, president & chief executive officer; Richard T. Schlueter, v.p & mgr.-hybrid division; John R. Michener, v.p. & mgr.-microwave division; James K. Murphey, secretary; Connie Wood, v.p. & mgr.-optoelectronic division; June Bishop, assistant secretary.

Directors: Luther B. Nicholson, Nicholas Nadolsky, James K. Murphey, H. Kent Hearn, William J. Holt, Woodrow Brownlee.

Areas of Work: Engaged in the design, development, manufacture, and sale of hybrid microcircuits and optoelectronic components, assemblies and microcircuits. The technologies employed by Micropac in the production of hybrid microcircuits include thick film, thin film, solder assembly, chip and wire assembly, custom and standard. The principal markets for the products and services of Micropac are among manufacturers of both analog and digital circuits in military and industrial computers, communications equipment, electronic instrumentation and control equipment and other systems requiring microminiature electronic circuits.

Divisions:

Hybrid Microcircuits Division
Designs, develops and manufactures custom digital, analog and RF hybrid microcircuits incorporating both thick and thin film hybrid technologies.

Power Products Division
Designs, develops and manufactures both standard and custom hybrid power functions incorporating thick and thin film hybrid technologies.

Optoelectronics Division
Designs, develops and manufactures both standard and custom optoelectronic components, assemblies and optoelectronic/hybrid microcircuits incorporating both thick and thin film hybrid technologies.

Microwave Division
Offers a complete family of voltage controlled oscillator subsystems covering the 10MHz to 15MHz frequency range. VAO subsystems include options for linearization, internally heated, and voltage regulated. These units are used for multitarget simulators, ECM, ECCM, Radar, Microwave Sweep Generators and next-generation equipment applications.

Subsidiary:

Micropac GmbH
Bremen, Germany

Transfer Agent(s):

National Bank of Commerce
Dallas, Texas

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	157	1982	115
1983	N.A.		

Plant Footage:

1984	36,000 sq. ft.

NA - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 8,082,320	$ 540,232
1983	5,850,828	(322,731)
1982	5,408,489	186,339
1981	6,546,606	441,830
1980	7,319,961	624,205

	No. of Com. Shares	Earn. per Share #
1984	5,644,420	$ 0.10
1983	5,644,420	—
1982	5,644,420	0.03
1981	5,644,420	0.08
1980	5,544,420	0.11

(Loss)
Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,403,972	$ 0.60
1983	2,863,740	0.51
1982	3,186,471	0.56

1981	3,000,132	0.53
1980	2,523,302	0.46

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 8,082,320	$ 5,850,828
Cost of sales	5,564,891	5,249,087
Expenses	1,513,968	1,119,282
Interest expense	92,681	81,135
Income (loss) bef. taxes	$ 910,780	$ (598,676)
Income taxes (credit)	516,227	(262,533)
Deferred tax credit	(145,679)	(13,412)
Net Income (Loss)	$ 540,232	$ (322,731)

* Included in Costs and Expenses, Depreciation $1,759,285 in 1984 and $319,829 in 1983.

Assets

As of Nov. 30	1984	1983
Cash	$ 440,711	$ 153,602
Accts. receiv., net	1,970,901	1,046,427
Fed. inc. tax refund	—	304,883
*Inventories	1,945,947	1,569,746
Prepaid expenses	259,102	114,686
Current Assets	$ 4,616,661	$ 3,189,344
#Fixed assets	1,178,589	1,224,318
Total Assets	$ 5,795,250	$ 4,413,662

Liabilities

Notes payable	$ 67,513	$ 405,161
Long-term debt, curr.	108,746	96,957
Accts. payable & accruals	1,813,516	573,607
Curr. Liabilities	$ 1,989,775	$ 1,075,725
Long-term debt	317,723	426,470
Deferred income taxes	83,782	47,727
+ Common stock	565,212	565,212
Add. paid-in capital	1,380,335	1,380,335
Retained earnings	1,469,873	929,643
Treasury stock	(11,450)	(11,450)
Total Liabilities & Shareholders' Equity	$ 5,795,250	$ 4,413,662

* At cost. Gold inventories stated at LIFO; all others at FIFO.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.27	—
%Net Income to Sales	6.68	—
%Net Income to Equity	15.88	—
Sales to Inventories	4.15	3.73
Working Capital	$2,626,886	$2,113,619
Current Ratio	0.23	2.96
Shareholders' Equity	$3,402,972	$2,863,740

Microsemi Corporation

2830 South Fairview Street
Santa Ana, California 92704
(714) 979-8220

Officers: Richard L. Geiger, chairman of the board & treasurer; Philip Frey, Jr., president; Jiri Sandera, v.p.-engineering; Richard R. Sandburg, v.p.-finance & secretary; Michael Gegson, v.p.-marketing.

Directors: Richard L. Geiger, chairman; Philip Frey, Jr., Lester Kilpatrick, Jiri Sandera, Fred Burns, Brad Davidson.

Areas of Work: Engaged in the production of diodes, rectifiers and other semiconductor products.

Subsidiaries:

Microsemiconductor Ltd.
Hong Kong
Manufacturer of semiconductor products.

Microsemi Corp. - Scottsdale
Scottsdale, Arizona

Microcommunications, Inc.
Santa Ana, California

Semcon Electronics PVT. Ltd.
Bombay, India

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	1,115	1981	258
1983	890	1980	210
1982	656		

Plant Footage:

1984	208,000 sq. ft.	1981	53,000
1983	208,000	1980	43,000
1982	208,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 30,278,000	$ 2,717,000
1983	24,422,000	1,111,000
1982	13,174,000	356,000
1981	7,911,143	434,022
1980	6,740,661	402,465

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,889,548	$ 0.48
1983	5,483,515	0.22
1982	4,486,626	0.09
1981	3,463,905	0.13
1980	3,405,536	0.12

‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 11,573,000	$ 1.97
1983	4,682,000	0.85
1982	3,507,000	0.78
1981	2,865,000‡	0.83
1980	2,172,188‡	0.64

‡ After allowing for preferred stock at par value.
+ Based on the weighted average number of shares outstanding.

Income Account *

Year ended	9/30/84	10/2/83
Net sales	$ 30,278,000	$ 24,422,000
Cost of sales	21,073,000	17,095,000
Expenses	4,529,000	4,580,000
Loss (gain) on sale	9,000	(102,000)
Interest expense	509,000	883,000
Other expense (income)	(34,000)	159,000
Income before taxes	$ 4,192,000	$ 1,807,000
Income taxes	1,475,000	696,000
Net Income	$ 2,717,000	$ 1,111,000

* Included in Costs and Expenses, Depreciation and Amortization: $267,000 in 1984 and $303,000 in 1983.

Assets

As of	9/30/84	10/2/83
Cash	$ 420,000	$ 214,000
Accts. receiv., net	5,547,000	4,164,000
*Inventories	9,825,000	9,005,000
Deferred inc. taxes	356,000	174,000
Other curr. assets	612,000	331,000
Current Assets	$ 16,760,000	$ 13,888,000
#Fixed assets	2,082,000	1,243,000
Other assets	333,000	367,000
Total Assets	$ 19,175,000	$ 15,498,000

Liabilities

Notes payable	$ 1,086,000	$ 145,000
Long-term debt, curr.	7,000	2,310,000
Accts. payable & accruals	3,780,000	3,060,000
Income taxes	623,000	799,000
Curr. Liabilities	$ 5,496,000	$ 6,314,000
Long-term debt	1,747,000	4,013,000
Deferred credit	359,000	489,000
+ Common stock	1,040,000	825,000
Add. paid-in capital	6,041,000	2,085,000
Retained earnings	4,492,000	1,772,000
Total Liabilities & Shareholders' Equity	$ 19,175,000	$ 15,498,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.85	7.40
%Net Income to Sales	8.97	4.55
%Net Income to Equity	23.48	23.73
Sales to Inventories	3.08	2.71
Working Capital	$11,264,000	$7,574,000
Current Ratio	3.05	2.20
Shareholders' Equity	$11,573,000	$4,682,000

Midland-Ross Corporation

20600 Chagrin Boulevard
Cleveland, Ohio 44122
(216) 491-8400

Officers: Harry J. Bolwell, chairman of the board & chief executive officer; Edward C. Gendron, vice-chairman; Daniel W. Duval, president & chief operating officer; John J. Fennessey Jr., exec. v.p.-aerospace & castings; Bryan R. Roub, exec. v.p.-finance; Bruce L. Engle, v.p.-personnel relations; Frank N. Fittipaldi, v.p., general counsel & secretary; Jerome C. Isham, v.p.-public relations; James D. Jung, v.p. & treasurer; Donald F. Kimmel, v.p.-international; Judson E. Smith, v.p. & controller; David S. Wasserman, v.p.-taxes.

Directors: Claude M. Blair, Harry J. Bolwell*, Daniel W. Duval, John J. Byrne Jr., Edward C. Gendron*, Roy H. Holdt, Charles E. Hugel*, James W. Pilz, G.J. Tankersley*, C.C. Tippit, Alton W. Whitehouse Jr.*

* Member of the Executive Committee.

Areas of Work: Engaged in the manufacture of a wide range of thermal systems for the steel, metalworking, automotive, paper, petroleum, petrochemical, glass and other industries; electrical products for the commercial, industrial and residential building markets; electronic connectors and other components for the telecommunications, data processing, instrumentation and other markets; aircraft components and systems for the commercial, military and general aviation markets; and steel castings for the railroad, mining and other industries.

Divisions and Subsidiaries:

Thermal Systems Group

Electro-Nite Co.
Philadelphia, Pa.; Long Beach, Calif.; Houthalen, Belgium; San Paulo, Brazil; Thionville, France; Syndey, Australia.
Expendable sensors and related instruments for metals producers; carbon graphite products.

Energy Technology Divison
Toledo, Ohio
Engineering, process development and pilot testing services for the pharmaceutical, chemical, petrochemical, primary and secondary metal-working industries; high technology processes, equipment and turnkey systems for hazardous and toxic waste disposal,gaseous emissions control, energy recovery and advanced thermal manufacturing processes.

Michigan Oven Co.
Caseville, Mich.
Industrial ovens, parts washers and finishing systems for manufacturers of metal products for the electrical, transportation, glass and other industries.

Robotron Division
Southfield and Oak Park, Mich.; Windsor, Ontario
Industrial electronic controls, including resistance welding controls, industrial power electronics and microcomputer-based industrial control systems; induction heating equipment.

Ross Pulp and Paper Division
LaSalle, Quebec; Vancouver, British Columbia; Valinhos, Brazil
Drying equipment and process air systems for pulp and papermaking machines; energy recovery equipment. Devronizer steam showers for moisture profiling in papermaking operations.

Somerset Engineering Division
Somerset, N.J.
Slitters, winders and coaters for paper and plastics; printing systems for books and corrugated containers; plastics extrusion, reclaim and blow-molding systems; Kathabar airconditioning, dehumidification and decontamination systems.

Stein Heurtey
Bar-le-Duc, Lautenbach and Saint-Ouen l'Aumone, France; Wombourne, England; Victoria, Australia
Furnaces, heaters and heat transfer equipment for the oil and petrochemical industries; melting, reheating, heat-treating, heat transfer and coating furnaces for the steel, ferrous and non-ferrous industries; glass furnaces and lehrs; special vacuum and atmosphere furnaces; gas generators; industrial drying and metal finishing plants; industrial burners; combustion and waste treatment equipment.

Surface Combustion Division
Toledo, Ohio
Heat-treating furnaces and supplementary equipment and controls used by the metalworking industries to impart desirable surface characteristics to manufactured metal products. High-temperature industrial furnace equipment and technology for refining, melting, reheating and heat-treating in the steel, non-ferrous, carbon and glass industries.

American Petro-Chem Co., Inc.
Fort Lee, New Jersey
Fired process heaters, heat recovery process units and boilers, combustion air preheat systems and energy conservation systems for the petroleum and petrochemical industries.

Aerospace and Electrical Group

Cambion Division
Cambridge, Mass.; Pittsfield, N.H.; Pompano Beach, Fla.; Nogales, Mexico; Castleton, England
Electronic components, including miniature plug and jack connectors, integrated circuit sockets, terminal and splice connectors, socket panels and card files, insulated, non-insulated and wrap post terminals; spacers and standoffs, coil form inductors, battery holders, handles and panel hardware, thermoelectric modules and instruments.

Electrical Products Division
Pittsburgh, Pa.; Athens, Tenn.
Switch, outlet and floor boxes; conduit and cable fittings; hangers and supports; underfloor and trench header electrical distribution systems; metal framing systems for supporting conduit, cable, lighting and equipment; wiring products including solderless terminals, compression connectors, cable ties, wire marker books, heat-shrink tubing and relating tooling.

Grimes Division
Urbana, Ohio; Greenwood, S.C.
Aircraft navigation, formation and collision avoidance lighting systems, power supplies and controls; crew station displays, caution and warning systems, indicators, control panels and instrument lights; passenger cabin illumination, including emergency and reading lights, information signs, accent lighting and related electronic switching and dimming controls; wind-shield wiper systems; electroluminescent lamps, displays, control panels and signal devices for the aviation, auto, rail and other markets.

Grimes Galley Products Division
Delray Beach, Fla.; Mansfield, Ohio
Aircraft galleys and service centers, carts, ovens, beverage makers, coffee makers and water boilers; lavatory water heaters.

Janitrol Aero Division
Columbus, Ohio; Plymouth, Conn.; Ocala, Fla.
Aircraft cabin heating, air-conditioning and pressurization systems; fuel filters, fans and blowers; heat transfer equipment; electronic cooling equipment; hydraulic, fuel and pneumatic valves; motor-operated valves; thermostatic controls and pressure valves; duct joints and supports; swivel extension joints; aircraft heaters; liquid heaters.

Midtex Division
North Mankato, Minn.; Watertown, S.D.; Burlington, Wis.; Seoul, Korea; Juarez, Mexico
Miniature, power, solid state, general purpose, mercury-wetted, industrial and time delay relays for industrial controls, business machines, data processing and communications equipment, commercial electronics and energy management; transformers and couplers for telecommunications; quartz crystals and hybrid clock oscillators for timing references in computer-based electronic controls and instrumentation. DC-DC converters for telephones.

Perfect-Line Division
Lindenhurst and North Amityville, N.Y.
Weatherproof die-cast switch and outlet boxes, cover plates, outdoor security lighting; outdoor decorative lighting; emergency lighting; multiple power outlet strips; photoelectric switching devices, low voltage lighting.

Russellstoll Division
Livingston and Fairfield, N.J.
Safety interlock receptacles, plugs and connectors, explosion-proof, vaportight and high-intensity discharge lighting fixtures; electrical control devices; marine plugs, receptacles, lighting and controls; trolley and plug-in overhead electrification systems.

Superstrut Division
Oakland, Calif.; Goshen, Ind.
Metal framing channel, fittings and hangers for electrical, mechanical, plumbing and refrigeration construction support requirements; seismic restraint systems for power plants and commercial buildings.

Castings Group

Bay City Foundry Co.
Bay City, Mich.
Medium to large-size carbon, low alloy, wear-resistant and stainless steel castings and grey, alloy and ductile iron castings for the automotive industry, steel mills and general industrial use; base and surface plates for dynamometer and stress testing, machine tooling and precision checking.

Capitol Castings Division
Temple and Chandler, Ariz.
Naco cast alloy steel grinding balls; iron and steel castings for wear-resistant and structural applications.

National Castings Division
Toledo, Ohio; Cicero and Melrose Park, Ill.
Couplers, yokes, draft gears, freight car trucks, cast hopper door frames, hopper door locks and rubber cushioning devices for railroad, mine and industrial haulage systems; alloy and carbon steel castings for earthmoving equipment, trucks, power shovels, lift trucks, military and oil field equipment.

Nelson Metal Products Co.
Grandville and Grand Rapids, Mich.
Zinc and aluminum die castings; chrome plating; leveling valves and air horns.

Transfer Agent(s):

National City Bank
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: MLR

Number of Employees:

1983	10,500	1980	12,700
1982	9,900	1979	12,500
1981	13,200		

Sales and Earnings

	Net Sales ◆	Net Income
1983	$ 755,168,000	$ (10,177,000)
1982	790,897,000	1,250,000
1981	859,030,000	24,691,000
1980	866,761,000	43,812,000
1979	753,621,000	41,028,000

	No. of Com. Shares	Earn per Share ‡
1983	12,652,000	$ —
1982	12,138,000	0.10
1981	12,208,000	2.06
1980	11,838,000	3.70
1979	11,719,000	3.51

(Loss)
◆ Of continuing operations only.
‡ Based on the average number of common shares outstanding.

Revenues By Line of Business

	1983	1982
Thermal systems	$ 291,201,000	$ 336,492,000
Electrical	209,133,000	179,824,000
Aerospace	150,713,000	144,795,000
Castings	104,121,000	129,786,000
Total	$ 755,168,000	$ 790,897,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.10	—	—
1982	1.40	—	—
1981	1.40	—	—
1980	1.375	—	—
1979	1.20	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1983	$ 246,740,000	$ 19.50
1982	265,570,000	21.88
1981	290,631,000	23.81
1980	276,861,000	23.38
1979	247,479,000	21.11

‡ After allowing for preferred stock at liquidation value.

Income Account

Year ended Dec. 31	1983	1982
Net sales	$ 755,168	$ 790,897
Other income	15,218	15,337
Total Income	$ 770,386	$ 806,234
Cost of sales	545,961	591,520
Expenses	162,702	148,638
Depreciation & amortization	30,417	28,782
Interest expense	23,699	20,485
Minority interest	1,121	983
Provision for plant closing	24,783	—
Inc (loss) before taxes	$ (18,297)	$ 15,826
Income taxes (credit)	(8,120)	6,320
Inc (loss) -cont. oper.	$ (10,177)	$ 9,506
Loss-discont. oper.	—	(8,256)
Net Income (Loss)	$ (10,177)	$ 1,250

Assets
(000's)

As of Dec. 31	1983	1982
Cash & marketable secur.	$ 48,878	$ 36,337
Accts. receiv., net	145,936	141,759
*Inventories	175,783	175,882
Contracts in process	34,716	28,255
Prepaid expenses	7,044	7,875
Refund. income taxes	13,379	9,019
Current Assets	$ 425,736	$ 399,127
Investments & other assets	80,689	66,648
#Fixed assets	196,297	207,814
Total Assets	$ 702,722	$ 673,589

Midland-Ross Corporation

Liabilities
(000's)

Long-term debt, curr.	$ 5,517	$ 5,171
Accounts payable	66,284	76,702
Adv. billings	25,420	22,339
Accruals	25,760	29,769
Income taxes	12,602	11,163
Other liab.	62,823	49,172
Short-term borrowings	21,955	1,142
Curr. Liabilities	$ 220,361	$ 195,458
Long-term debt	159,474	164,689
Other liab.	13,737	11,506
Deferred inc. taxes	20,940	23,462
Minority interest	11,470	11,321
+ Preferred stock:		
Series A	—	1,583
Series C	30,000	—
+ + Common stock	63,259	60,688
Add. paid-in capital	20,607	14,594
Retained earnings	174,714	198,441
Translation adjust.	(11,840)	(8,153)
Total Liabilities & Shareholders' Equity	$ 702,722	$ 673,589

* At lower of cost (LIFO, FIFO and average) or market.
# Less accumulated depreciation.
+ No par value.
+ + $5 par value.

Statistical Summary

%Net Income to Equity	—	0.47
Sales to Inventories	4.30	4.50
Working Capital	$205,375,000	$203,669,000
Current Ratio	1.93	3.45
Shareholders' Equity	$276,740,000	$267,153,000

Milgray Electronics, Inc.

77 Schmitt Boulevard
Farmingdale, New York 11735
(516) 420-9800

Officers: Herbert S. Davidson, president; Martin Hyman, exec. v.p.; Richard Hyman, v.p.-sales & marketing; Herschel M. Weinberg, secretary; John R. Tortorici, v.p.-finance.

Directors: Herbert S. Davidson, Robert G. Davidoff, Martin Hyman, Herschel M. Weinberg.

Areas of Work: Engaged in the distribution of electronic components produced by a large number of manufacturers. Items sold consist principally of semiconductors, electromechanical devices (relays and electronic hardware) and capacitors.

Divisions and Subsidiaries:

Milgray/Cleveland, Inc.
6155 Rockside Road
Cleveland, Ohio 44131
(216) 447-1520

Milgray/Florida, Inc.
1850 Lee Road, Suite 104
Winter Park, Florida 32789
(305) 647-5747

Milgray/International, Inc.
77 Schmitt Boulevard
Farmingdale, New York 11735
(516) 420-9800

Milgray/New England
79 Terrace Hall Avenue
Burlington, Massachusetts 01803
(617) 272-6800

33 Bond Street
Brighton BN1 IRD Sussex, England

Heibronner Str. 23
7320 Goeppingen
West Germany

Milgray/Delaware Valley, Inc.
3002 Greentree Executive Campus
Marlton, New Jersey 08053
(609) 983-5010

Milgray/Atlanta
17 Dunwoody Park, Suite 102
Atlanta, Georgia 30338
(404) 393 9666

Milgray/Kansas City, Inc.
6901 West 63rd Street
Overland Park, Kansas 66202
(913) 236-8800

Milgray/New York, Inc.
77 Schmitt Boulevard
Farmingdale, New York 11735
(516) 391-3000

Milgray/Upstate New York
57 Monroe Avenue
Pittsford, New York 14534
(716) 385-9330

Milgray/Washington, Inc.
11820 Parklawn Drive
Rockville, Maryland 20852
(301) 468-6400

Milgray, Ltd.
77 Schmitt Boulevard
Farmingdale, New York 11735
(516) 420-9800

Birnbach Co., Inc.
81 Schmitt Boulevard
Farmingdale, New York 11735
(516) 420-0400

Milgray/Connecticut
378 Boston Post Road
Orange, Connecticut 06477
(203) 795-0711

Milgray/Chicago, Inc.
765 Route 83
Bensenville, Illinois 60106
(312) 350-0490

Milgray/Dallas, Inc.
17060 Dallas Parkway
Dallas, Texas 75248

Transfer Agent(s):

National Westminster Bank USA
80 Pine Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	260	1982	201
1983	225		

Plant Footage:

1984	96,310 sq. ft.	1982	52,695
1983	80,000		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 75,496,907	$ 4,180,257
1983	56,275,099	2,088,744
1982	40,727,966	354,039
1981	34,588,393	473,070
1980	36,177,346	1,253,059

	No. of Com. Shares	Earn. per Share ‡
1984	778,690	$ 5.37
1983	778,690	2.68
1982	778,690	0.45
1981	778,690	0.61
1980	778,690	1.61

‡ Including extraordinary credit of $144,264 ($0.19 per share) in 1980.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 9,955,519	$ 12.78
1983	5,775,262	7.42
1982	3,686,518	4.73
1981	3,332,479	4.28
1980	2,859,409	3.67

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 75,496,907	$ 56,275,099
Cost of sales	52,974,410	39,802,691
Expenses	13,719,908	11,722,560
Interest expense	681,332	633,804
Income before taxes	$ 8,121,257	$ 4,116,044
Income taxes	3,941,000	2,027,300
Net Income	$ 4,180,257	$ 2,088,744

* Included in Costs and Expenses, Depreciation and Amortization: $270,666 in 1984 and $206,839 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 799,851	$ 802,778
Accts. receiv., net	8,284,189	7,818,445
*Inventories	12,637,457	8,388,909
Prepaid expenses & sundry receiv.	158,334	122,735
Current Assets	$ 21,879,831	$ 17,132,867
#Fixed assets	2,391,207	2,477,793
Other assets	85,883	116,289
Total Assets	$ 24,356,921	$ 19,726,949

Liabilities

Notes payable	$ 1,500,000	$ 1,615,000
Long-term debt, curr.	98,447	103,894
Accts. payable	5,958,789	5,302,903
Accruals & sundry liabilities	1,843,831	1,439,717
Income taxes	672,329	1,062,433
Curr. Liabilities	$ 10,073,396	$ 9,523,947
Long-term debt	4,328,006	4,427,740
+ Common stock	200,003	200,003
Add. paid-in capital	26,675	26,675
Retained earnings	9,779,406	5,599,149
Treasury stock	(50,565)	(50,565)
Total Liabilities & Shareholders' Equity	$ 24,356,921	$ 19,726,949

* At lower of cost (FIFO) or market (replacement cost).
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.76	7.31
%Net Income to Sales	5.54	3.71
%Net Income to Equity	41.99	36.17
Sales to Inventories	5.97	6.71
Working Capital	$11,806,435	$7,608,920
Current Ratio	2.17	1.80
Shareholders' Equity	$9,955,519	$5,775,262

Milton Roy Company

Suite 900
One Plaza Place N.E.
P.O. Box 12169
St. Petersburg, Florida 33733
(813) 823-4444

Officers: James F. Healey, chairman of the board; Richard E. Schmidt, president & chief executive officer, Joseph J. Dechert, H. Rodman Smith, sr. v.p.'s; C. Edward Liggans, v.p.-administration; John L. West, Stephen G. Matthews, v.p.'s; Jean-Claude Degremont, v.p.-international; John M. McNamara, secretary & treasurer, Eileen L. Cole, asst. sec.; J. Ronald Moore, controller.

Directors: Robert T. Sheen*, Dan L. McGurk, Edmund H. Damon, Raleigh W. Greene, James F. Healey*, John P. Horgan*, Philip A. Sprague*, John T. Subak*, Robert F. Murphy, Albert R. Snider, Richard E. Schmidt, Jean-Claude Degremont.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Laboratory Analytical Instrumentation Group

Automatic liquid chromatographic detectors, liquid chromatographic accessories, pollution detectors, servographic recorders, instrument minipumps, elhygen hydrogen generators.

Laboratory Data Control Division
Riviera Beach, Florida
(305) 844-5241

LDC-S.A.
Paris, France

Laboratory Data Control (U.K.) Ltd.
Stone, England

Laboratory Data Control
Shannon, Ireland

Milton Roy (Deutschland) GmbH (100%)
Frankfurt, West Germany

Milton Roy K.K.
Tokoyo,Japan

Fluid Control Instrumentation Group

Controlled volume pumps; combustion control equipment; gas analysis instruments; water quality systems; engineered chemical feed systems; special purpose centrifugal pumps.

Hartell Division
Ivyland, Pennsylvania

Flow Control Division
Ivyland, Pennsylvania

Milton Roy Industries, Ltd.
Peterborough, Ontario, Canada

Dosapro-Milton Roy S.A. (joint venture; 50% owned)
Pont-Saint-Pierre, France

DosiSistemas S.A. de C.V. (joint venture)
Mexico City, Mexico

Dosapro-Milton Roy Iberica S.A.
Madrid, Spain

Dosapro-Milton Roy S.P.A.
Milan, Italy

Dosapro-Milton Roy GmbH
Pfertshausen, West Germany

Dosapro-Milton Roy (UK) Ltd.
Feltham, England

Specialty Ball Valves

Portland Valve, Inc.
Scarborough, Maine

Transfer Agent(s):

Mellon Bank
Four Mellon Bank Center
16th Floor
Philadelphia, Pennsylvania 19102
(215) 585-3400

Stock Exchange(s): New York

Ticker Symbol: MRC

Number of Employees:

1984	1,114	1981	940
1983	853	1980	941
1982	870		

Sales and Earnings

	Net Sales †	Net Income
1984	$ 70,396,000	$ 4,053,000
1983	62,375,000	3,394,000
1982	70,355,000	4,478,000
1981	67,905,000	4,368,000
1980	57,466,000	3,617,000

	No. of Com. Shares ‡	Earn. per Share #
1984	4,128,000	$ 1.01
1983	4,086,000	0.86
1982	3,826,000	1.19
1981	2,787,000	1.17
1980	3,715,000	0.99

† Of continuing operations only; includes services.
‡ Adjusted to reflect stock splits.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Laboratory Analytical Instrumentation	$ 20,664	$ 18,538
Spec. Ball Valves & Components	7,154	8,240
Energy & Environmental Instrumentation	3,255	7,944
Fluid Control Instrumentation	39,323	27,653
Total	$ 70,396	$ 62,375

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.39	—	—
1983	0.35⅓	—	—
1982	0.32⅓	—	3-for-2
1981	0.24⅓	—	4-for-3
1980	0.18⅓	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 38,488,000	$ 9.32
1983	36,171,000	8.85
1982	31,677,000	8.28
1981	28,737,000	7.59
1980	25,587,000	6.89

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 70,396,000	$ 62,375,000
Cost of sales	38,801,000	34,255,000
Expenses	25,321,000	23,957,000
Gain on dispos. of prod. lines	(304,000)	(367,000)
Interest expense	1,440,000	815,000
Other income	(1,697,000)	(1,208,000)
Income before taxes	$ 6,835,000	$ 4,923,000
Income taxes	3,045,000	2,117,000
Eq. in inc. of joint ventures	(263,000)	(588,000)
Net Income	$ 4,053,000	$ 3,394,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,375,000 in 1984 and $2,038,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 4,852,000	$ 10,655,000
Accounts & notes receiv.	14,777,000	10,970,000
*Inventories	19,144,000	14,200,000
Prepaid expenses	804,000	455,000
Deferred inc. taxes	901,000	602,000
Current Assets	$ 40,478,000	$ 36,882,000
Investments	72,000	2,920,000
#Fixed assets	19,477,000	13,743,000
Project fund	1,089,000	4,758,000
Notes receiv. & other assets	4,242,000	1,037,000
Intangibles	2,434,000	226,000
Total Assets	$ 67,792,000	$ 59,566,000

Liabilities

Long-term debt, curr.	$ 907,000	$ 832,000
Notes payable	2,146,000	1,044,000
Accts. payable & accruals	11,966,000	9,582,000
Income taxes	1,644,000	1,019,000
Curr. Liabilities	$ 16,663,000	$ 12,477,000
Long-term debt	11,706,000	10,777,000
Deferred inc. taxes	588,000	141,000
Other liab.	347,000	—
+ Common stock	4,128,000	4,086,000
Add. paid-in capital	6,909,000	6,144,000
Equity adjustment	(3,467,000)	(2,520,000)
Retained earnings	30,918,000	28,461,000
Total Liabilities & Shareholders' Equity	$ 67,792,000	$ 59,566,000

* At lower of cost (FIFO) or market; Portland Valve valued at LIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

[illegible]ome bef. Taxes to Sales	9.71	7.89
%Net Income to Sales	5.76	5.44
%Net Income to Equity	10.53	9.38
Sales to Inventories	3.68	4.39
Working Capital	$23,815,000	$24,405,000
Current Ratio	2.43	2.96
Shareholders' Equity	$38,488,000	$36,171,000

Mini-Computer Systems, Inc.

399 Fairview Park Drive
Elmsford, New York 10523
(914) 592-8812

Officers: Michael W. Brennan, president and chief executive officer; Thomas Delorenzo, Lawrence Howell, vice presidents; William R. Doniger, chief financial officer.

Directors: William R. Doniger, Michael W. Brennan, Foye F. Black, Jr., Michael S. O'Brien.

Areas of Work: Engaged in the development and marketing of minicomputer systems designed to handle normal business applications, primarily to distributors and original equipment manufacturers.

Subsidiaries:

P.C. Computer Systems, Ltd.
Montreal, Quebec, Canada

MCS France S.A.
Paris, France

296541 Ontario Ltd.
Toronto, Canada

Acquisition(s):

Mesa Services, Inc.
San Diego, California

Minitech Research Corporation

Transfer Agent(s):

American Transfer Company
44 Beaver Street
New York, New York 10022

Stock Exchange(s): Over-the-Counter, Pacific

Mini-Computer Systems, Inc.

Ticker Symbol: MICO (NASDAQ)

Number of Employees:

1984	46	1981	201
1983	N.A.	1980	189
1982	N.A.		

Plant Footage:

1984	11,480 sq. ft.	1981	68,200
1983	N.A.	1980	68,200
1982	N.A.		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income
1984	$ 6,188,124	$ (456,215)
1983	5,917,467	594,033
1982	9,258,369	(4,545,191)
1981	15,010,486	(1,891,309)
1980	17,669,972	(2,720,058)

	No of Com. Shares +	Earn. per Share +
1984	4,386,926	$ —
1983	4,692,673	0.30
1982	879,607	—
1981	879,607	—
1980	873,788	—

(Loss)
+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ (1,440,078)	$ —
1983	(2,409,416)	—
1982	(5,561,487)	—
1981	(1,035,167)	—

(Deficiency)

Income Account *

Year ended Oct. 31	1984	1983
Revenues	$ 6,446,987	$ 6,178,553
Cost of sales	3,734,289	3,515,161
Expenses	3,007,030	2,134,277
Prov. for doubtful accts.	54,000	30,213
Interest expense	260,805	303,369
Income (loss) before taxes	$ (609,137)	$ 195,533
Income taxes (credit)	72,653	(152,000)
Net Income (Loss)	$ (681,790)	$ 347,533

* Included in Costs and Expenses, Depreciation and Amortization: $152,018 in 1984 and $344,752 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 170,610	$ 481,659
Receiv., net	857,932	599,176
Notes receiv.	187,768	118,001
Loans receiv.	38,125	13,500
*Inventories	301,263	52,323
Prepaid expenses	48,027	119,548
Refundable income taxes	—	426,129
Current assets	$ 1,603,725	$ 1,810,336
#Fixed assets	244,373	391,694
Notes receiv.	108,000	211,220
Computer Software Systems	504,208	—
Deferred fin. exp.	13,298	64,784
Other assets	48,051	58,260
Total Assets	$ 2,521,655	$ 2,536,294
Liabilities		
Conv. debentures	$ 165,000	$ 661,016
Loans payable	25,178	11,859
Accounts payable	1,400,706	1,231,593
Notes payable	268,711	428,200
Accruals	917,080	1,435,070
Income taxes payable	135,058	127,972
Curr. Liabilities	$ 2,911,733	$ 3,895,710
Conv. senior notes	1,050,000	1,050,000
+Common stock	528,812	331,781
Add paid-in capital	6,643,477	5,042,996
Retained earnings (deficit)	(7,972,815)	(7,516,600)
Treasury stock	(42,000)	(42,000)
For. trans. adjust.	(110,433)	(92,293)
Notes receiv.	(439,268)	(100,000)
Deferred compensation	(47,851)	(33,300)
Total Liabilities & Shareholders Equity	$ 2,521,655	$ 2,536,294

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Minnesota Mining and Manufacturing Company

3M Center
St. Paul, Minnesota 55144
(612) 733-1110

Officers: Lewis W. Lehr, chairman of the board & chief executive officer; Allen F. Jacobson, president-U.S. operations; James A. Thwaits, president, international operations & corporate staff services; executive v.p.'s: L.D. DeSimone, Life Sciences Sector; Allan J. Huber, Electronic & Information Technologies Sector; M.J. Monteiro, international operations; Kenneth A. Schoen, Graphic Technologies Sector; Jerry E. Robertson, Life Sciences Sector; senior v.p.'s: Robert M. Adams, technology services; Stanley W. Thiele, administrative services; v.p.'s & group v.p.'s: Darrell H. Boyd, Photographic & Audio Visual Group; Richard W. Brust, taxes; William E. Coyne, Health Care Products and Services Group; Charlton Dietz, legal affairs & general counsel; Ralph D. Ebbott, treasurer; Donald E. Garretson, 3M Foundation; Harry A. Hammerly, finance; Douglas R. Hanson, Australia-Asia-Canada; George L. Hegg, Memory Technologies Group; Lester C. Krogh, research & development; Joseph L. Kuhn, Tape, Adhesives and Decorative Products Group; Carl A. Kuhrmeyer, administration; Sidney M. Leahy, Chemicals, Film & Allied Products Group; Donald W. McArthur, Information Systems Group; Ronald A. Mitsch, Traffic and Personal Safety Products Group; Ernest B. Moffet, Jr., Consumer Products Group; Lauren L. Morin, manufacturing; Donn R. Osmon, marketing and Public Affairs; Gerard G. Mueller, engineering; Gerald D. Pint, Electrical Products Group; Howard D. Punch, Abrasives, Cleaning Products & Industrial Minerals Group; Joseph F. Ramey, Commercial Markets Group; Roger W. Roberts, controller; James A. Searles, Strategic Planning Services Group; Benjamin L. Shely, Photographic & Graphic Arts Group; Thomas P. Skoog, Graphic Arts Group; Christopher J. Wheller, Human Resourses; other officers: Arlo D. Levi, secretary; JoAnn J. Bohne; Donald O. Hambleton, Raymond E. Johnson, Thomas J. Lyons, James A. Smith, asst. secretaries; Harry H. Vernon, Dwight A. Peterson, asst. treasurers.

Directors: Raymond H. Herzog, Robert M. Adams*, Joseph W. Barr, James H. Binger, Charlton Dietz*, Lewis W. Lehr*, Lee L. Morgan, John G. Ordway, Jr., Norma T. Pace, Peter G. Peterson, J. Alexander McMahon, Allen F. Jacobson*, James A. Thwaits*.

* Member of the Executive Committee.

Areas of Work: The Company's operations are organized into four sectors: Electronic & Information Technologies, Industrial & Consumer, Graphic Technologies, and Life Sciences.

Operating Sectors:

Electronic & Information Technologies
Manufactures products for electrical, electronics and telecommunications markets; information storage, output and transfer materials; voice, video and data recording products; a line of supplies for business and educational uses; a line of magnetic recording products.

- Industrial Electrical Products Division
- Electronic Products Division
- TelComm Products Division
- Electronic-Mechanical Resources Division
- Business Communication Products Division
- Static Control Systems Division
- Office Systems Division
- Equipment Service and Support Division
- Electro-Products Division

Industrial & Consumer
Manufactures pressure sensitive tapes, abrasives, adhesives, specialty chemicals, roofing granules and decorative products.

- Industrial Abrasives Division
- Industrial Mineral Products Division
- Building Service and Cleaning Products Division
- Commercial Chemicals Division
- Household and Hardware Products Division
- Automotive Trades Division
- Commercial Tape Division
- Packaging Systems Division
- Industrial Specialties Division
- Industrial Tape Division
- Decorative Products Division
- Adhesives, Coatings and Sealers Division
- Specialty Chemical and Film Division

Graphic Technologies
Provides products and services for the graphic communications and advertising services areas.

- Medical Products Division
- Surgical Products Division
- Riker Laboratories, Inc.
- Traffic Control Materials Division
- Safety and Security Systems Division
- Occupational Health and Safety Products Division
- Orthopedic Products Division

Advertising Services Division
Dynacolor Corporation
Audio Visual Division
Photo Color Systems Division
Imaging Systems Division
Transportation & Commercial Graphics Division
Graphic Preparation Systems Division
Printing & Reprographic Products Division

Life Sciences
Markets a line of medical, surgical and pharmaceutical products which promote health and safety; a line of traffic-control and crime-deterrent products.

Transfer Agent(s):

First Trust Company of Saint Paul
(common stock, notes & debentures)
First National Bank Building
St. Paul, Minnesota 55101

Morgan Guaranty Trust Company
(common stock)
30 West Broadway
New York, New York 10015

Manufacturers Hanover Trust Company
(notes & debentures)
40 Wall Street
New York, New York 10015

Stock Exchange(s): New York, Pacific, Midwest, Paris, Amsterdam, Switzerland, Germany

Ticker Symbol: MMM

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1984	$ 7,705,000	$ 733,000
1983	7,039,000	667,000
1982	6,601,000	631,000
1981	6,508,000	673,000
1980	6,079,540	668,000

	No. of Com. Shares	Earn. per Share #
1984	116,298,365	$ 6.27
1983	117,235,021	5.67
1982	117,890,724	5.37
1981	117,466,821	5.74
1980	117,303,037	5.69

‡ Includes other operating revenues.
# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Industrial & consumer	$ 2,774,000	$ 2,510,000
Electronic & info technologies	2,364,000	2,135,000
Graphic technologies	1,277,000	1,219,000
Life sciences	1,286,000	1,169,000
Eliminations	4,000	6,000
Total	$ 7,705,000	$ 7,039,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$3.40	—	—
1983	3.30	—	—
1982	3.20	—	—
1981	3.00	—	—
1980	2.80	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 3,814,000	$ 32.79
1983	3,698,000	31.54
1982	3,548,000	29.26
1981	3,449,000	29.36
1980	3,308,000	28.20

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales & revenues	$ 7,705,000	$ 7,039,000
Cost of sales	4,559,000	4,163,000
Expenses	1,860,000	1,737,000
Interest expense	91,000	74,000
Other income	(58,000)	(47,000)
Income before taxes	$ 1,253,000	$ 1,112,000
Income taxes	520,000	445,000
Net Income	$ 733,000	$ 667,000

* Included in Costs and Expenses, Depreciation and Amortization: $403,000,000 in 1984 and $366,000,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & securities	$ 182,000	$ 237,000
Accts. receiv., net	1,349,000	1,194,000
*Inventories	1,610,000	1,557,000
Other assets	261,000	131,000
Current Assets	$ 3,402,000	$ 3,119,000
Investments	182,000	278,000
#Fixed assets	2,351,000	2,236,000
Other assets	159,000	127,000
Total Assets	$ 6,094,000	$ 5,760,000

Liabilities
(000's)

	1984	1983
Short-term debt	$ 413,000	$ 248,000
Accts. payable	440,000	372,000
Accrued payroll	197,000	186,000
Income taxes	149,000	161,000
Other liab.	249,000	241,000
Curr. Liabilities	$ 1,448,000	$ 1,208,000
Long-term debt	330,000	358,000
Deferred inc. taxes	338,000	316,000
Other liabilities	164,000	180,000
+ Common stock	296,000	296,000
Retained earnings	4,139,000	3,819,000
Treasury stock	(131,000)	(62,000)
Cum. translation	(490,000)	(355,000)
Total Liabilities & Shareholders' Equity	$ 6,094,000	$ 5,760,000

* At lower of cost (FIFO) or market (lower of replacement cost or realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	16.26	15.80
%Net Income to Sales	9.51	9.48
%Net Income to Equity	19.22	18.04
Working Capital	$1,954,000	$1,911,000
Current Ratio	2.35	2.58
Shareholders' Equity	$3,814,000	$3,698,000

Missouri Research Laboratories, Inc.

3800 West Clay Street
St. Charles, Missouri 63301
(314) 946-6900

Officers: Walter Funk, Jr., chairman of the board & chief executive officer; Jerome E. Adams, president & chief administrative officer; Lawrence C. Grazevich, vice chairman & chief operating officer; Alan G. Johnson, secretary.

Directors: Walter Funk, Jr. chairman; Robert J. Forthofer, William W. Halliday, Max Diamant, John H. Pahlmann, Lawrence C. Grazevich, Jerome E. Adams, Alan G. Johnson, Roswell Messing, Jr.

Areas of Work: The company manufactures products and supplies services in the following areas: electronics, industrial equipment, and utility products.

Divisions:

Electronics Group
Albuquerque, New Mexico

Manufactures high quality printed circuit boards and a wide variety of electronic assemblies. Offers contract personnel services including engineers, technicians, draftsmen and illustrators.

Utility Products & Services Group
Hoffman, Illinois

Manufactures and sells a line of mobile power equipment containing electrical generating capacity and other support equipment used by underground utility system construction and maintenance crews.

Industrial Equipment Group
St. Charles, Missouri

Performs general job shop fabrication services involving machining, welding, and sheetmetal forming operations.

Transfer Agent(s):

Mercantile Bank
St. Louis, Missouri

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MRES (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income
1985	$ 13,312,000	$ 23,000
1984	12,448,000	332,000
1983	13,654,000	457,000
1982	13,819,000	615,000
1981	12,306,000	769,000

	No. of Com. Shares ‡	Earn. per Share ‡
1985	2,189,000	$ 0.01
1984	2,206,000	0.15
1983	2,280,000	0.20
1982	2,272,000	0.27
1981	2,259,000	0.34

+ Of continuing operations only.
‡ Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.09	—	—
1984	0.09	—	—
1983	0.13	—	—
1982	0.13	—	—
1981	0.13	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 4,712,000	$ 2.15
1984	4,885,000	2.21
1983	4,974,000	2.18
1982	4,802,000	2.11
1981	4,522,000	2.00

† Based on the weighted average number of common shares outstanding.

Income Account *
(000's)

Year ended Jan. 31	1985	1984
Net sales	$ 13,312	$ 12,448
Cost of sales	12,235	10,331
Expenses	1,564	1,697
Interest expense	224	70
Interest income	(260)	(258)
Income (loss) before taxes	$ (451)	$ 608
Income taxes (credit)	(386)	276
Inc. (loss)- cont. oper.	$ (65)	$ 332
Inc. - discont. oper.	88	—
Net Income	$ 23	$ 332

* Included in Costs and Expenses, Depreciation and Amortization: $622,000 in 1985 and $420,000 in 1984.

Assets
(000's)

As of Jan. 31	1985	1984
Cash	$ 548	$ 1,234
Cert. of deposit	—	722
Marketable securities	946	1,155
Accts. receiv., net	1,857	1,841
*Inventories	1,775	965
Prepaid expenses	49	57
Refundable income taxes	284	—
Current Assets	$ 5,459	$ 5,974
#Fixed assets	2,392	1,588
Other assets & defer. charges	232	294
Total Assets	$ 8,083	$ 7,856

Liabilities
(000's)

	1985	1984
Notes payable	$ 100	$ —
Long-term debt, curr.	353	218
Accts. payable	706	607
Accruals	169	340
Accrued payroll	187	292
Income taxes	—	272
Curr. Liabilities	$ 1,515	$ 1,729
Long-term debt	1,856	1,242
+ Common stock	231	231
Add. paid-in capital	1,318	1,317
Retained earnings	3,428	3,602
Treasury stock	(265)	(265)
Total Liabilities & Shareholders' Equity	$ 8,083	$ 7,856

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

% Net Income to Equity	0.49	6.80
Sales to Inventories	7.50	12.90
Working Capital	$3,944,000	$4,245,000
Current Ratio	3.60	3.46
Shareholders' Equity	$4,712,000	$4,885,000

MITE Corporation

260 Amity Road
Woodbridge, Connecticut 06525
(203) 387-2572

Officers: Robert J. Blinken, chairman of the board & chief executive officer; Leo J. Brancato, president; William P. Ryan, Richard R. Swanson, sr. vice presidents; Karl Epple, Frank A. Stratton, Stewart Hampton, vice presidents; Marcel J. Lamy, vice president, controller & asst. treasurer; Stephen L. Dinces, secretary; Louis Cetran, assistant vice president.

Directors: Robert J. Blinken*, Alan J. Blinken, Donald M. Blinken*, Melvin C. Steen*, Leo J. Brancato*, Richard R. Swanson, William P. Ryan, Kenneth J. Oberman

*Member of the Executive Committee

Divisions and Subsidiaries:

Industrial Components Group
Provides broad line of specialty fastener products and hardware items, such as inserts, fasteners and electronic hardware.

Insert Products Division
Heli-Coil, Dodge, Kelox & Tapsert Divisions
Shelter Rock Lane
Danbury, Connecticut 06810
(203) 743-7651

Gripco Fastener Division
South Whitley, Indiana 56787
(219) 723-7651

Montpelier, Indiana 47359
(317) 728-1400

Amatom Electronic Hardware Division
446 Blake Street
New Haven, Connecticut 06515
(203) 397-3311

Special Products Group
Precision spindles, time stamps and recorders, perforators, hydraulic control devices and attachments for home sewing machines.

Stromberg Group
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Attendance and job recorders, time stamps, and clock systems.

Gar-Kenyon Controls Division
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Designs and manufactures hydraulic valves and controls, used principally in the aircraft industry.

A.B.E.
446 Blake Street
New Haven, Connecticut 06515
(203) 387-2572
Manufactures perforators which are used to punch dates and other information through single or multiple copy business forms and documents.

Whitnon Manufacturing Company
Route 6 & New Britain Ave.
Farmington, Connecticut 06032
(203) 677-2608
Design and manufacture of high precision machine spindles, hydrostatic bearings and associated products.

Transfer Agent(s):

National Westminster Bank, USA
44 Wall Street
New York, New York

Union Trust Company
300 Main Street
Stamford, Connecticut

Stock Exchange(s): American

Ticker Symbol: MTE

Number of Employees:

1985	N.A.	1982	1,089
1984	1,029	1981	567,000
1983	1,037		

Plant Footage:

1984	N.A.	1982	567,000
1983	567,000 sq. ft.	1981	567,000

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income †
1985	$ 85,905,494	$ 8,545,110
1984	71,615,545	6,134,257
1983	56,997,280	2,676,820
1982	68,378,433	6,108,243
1981	63,419,509	6,285,983

	No. of Com. Shares	Earn. per Share ‡ †
1985	1,959,403	$ 4.47
1984	1,960,498	3.15
1983	1,963,896	1.36
1982	1,969,921	3.01
1981	1,956,961	3.04

† Including extraordinary loss of $1,280,399 ($0.65 per share) in 1982.
‡ Based on the average number of shares outstanding assuming full dilution.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.90	—	—
1984	0.75	—	—
1983	0.70	—	—
1982	0.675	—	—
1981	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 43,559,580	$ 22.23
1984	36,706,906	18.72
1983	33,502,728	17.06
1982	32,261,159	17.27
1981	30,484,767	15.58

Income Account *

Year ended	2/28/85	2/29/84
Net sales	$ 85,905,494	$ 71,615,545
Cost of sales	49,981,398	42,643,962
Expenses	20,485,922	17,160,806
Interest expense	2,047,013	1,850,429
Other income	(2,329,949)	(2,055,909)
Income before taxes	$ 15,721,110	$ 12,016,257
Income taxes	7,176,000	5,882,000
Net Income	$ 8,545,110	$ 6,134,257

* Included in Costs and Expenses, Depreciation and Amortization, $2,589,451 in 1985 and $2,355,156 in 1984.

Assets

As of	2/28/85	2/29/84
Cash & invest.	$ 13,693,103	$ 20,454,911
Marketable securities	6,851,200	—
Accts. receiv., net	12,228,301	10,408,309
*Inventories	15,421,296	13,065,417
Prepaid expenses	21,666	23,327
Current Assets	$ 48,215,566	$ 43,951,964
#Fixed assets	17,225,978	14,772,918
Other assets	985,170	1,717,274
Defer. charges	1,443,800	833,327
Intangibles	8,545,555	5,533,653
Total Assets	$ 76,416,069	$ 66,809,136

Liabilities

Long-term debt, curr.	$ 2,291,343	$ 870,702
Accts. payable & accruals	7,521,576	7,063,811
Income taxes	1,062,920	763,200
Curr. Liabilities	$ 10,875,839	$ 8,697,713
Long-term debt	17,812,480	17,663,477
Deferred compensation	1,822,711	1,562,040
Deferred inc. taxes	2,345,459	2,179,000
† Common stock	1,982,426	1,982,426
Add. paid-in capital	3,179,469	3,179,469
Retained earnings	40,777,591	33,883,912
Treasury stock	(614,281)	(573,276)
Non-recourse rates	(1,765,625)	(1,765,625)
Total Liabilities & Shareholders' Equity	$ 76,416,069	$ 66,809,136

* At lower of cost (LIFO and FIFO) or market
# Less accumulated depreciation
† $1 par value

Statistical Summary

% Income bef. Taxes to Sales	18.30	16.78
% Net Income to Sales	9.95	8.57
% Net Income to Equity	19.62	16.71
Sales to Inventories	5.57	5.48
Working Capital	$37,339,727	$35,254,251
Current Ratio	4.43	5.05
Shareholders' Equity	$43,559,580	$36,706,906

Modern Controls, Inc.

6820 Shingle Creek Parkway
Minneapolis, Minnesota 55430
(612) 560-2900

Officers: Howard L. Demorest, chairman, treasurer & chief executive officer; William N. Mayer, president and secretary; Robert L. Demorest, v.p.-sales & marketing; Ron Meyer, v.p.-product development; Conrad Solberh, v.p.-manufacturing; Vernon J. Vander Weide, asst. secretary.

Directors: Howard L. Demorest, Francis Faber, William N. Mayer, Dean B. Chenowith, Ronald Esau, Leonard Frame, William Price.

Areas of Work: Manufactures and markets precision instruments used for quality control, production control, and testing purposes, primarily in the food, pharmaceutical, chemical, and packaging industries. Also manufactures and markets high-speed capsule sorting and weighing systems for the pharmaceutical industry.

Transfer Agent(s):

First Bank of Minneapolis
Minneapolis, Minnesota 55480

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MOCO (NASDAQ)

Number of Employees:

1984	N.A.	1982	38
1983	38	1981	38

Plant Footage:

1984	N.A.	1982	20,000
1983	20,000 sq. ft.	1981	20,000

N.A. - Not Available.

Sales and Earnings

	Net Sales †	Net Income ‡
12/31/84*	$ 5,056,802	$ 674,418
1/31/84	3,471,917	434,303
1/31/83	2,666,393	362,177
1/31/82	2,644,041	223,884
1/31/81	2,171,533	(355,392)

	No. of Com. Shares	Earn. per Share ‡
12/31/84*	$ 2,177,884	$ 0.36
1/31/84	1,602,134	0.25
1/31/83	1,601,784	0.22
1/31/82	1,601,784	0.14
1/31/81	1,601,614	—

(Loss)
* 11 months.
+ Of continuing operations only.
‡ Including extraordinary credits of $135,599 ($0.08 per share) in 1983 and $68,358 ($0.04 per share) in 1982.

Common Stock Equity

	Total Equity	Equity Per Share
12/31/84	$ 4,501,498	$ 2.07
1/31/84	2,115,559	1.32
1/31/83	1,680,788	1.05
1/31/82	1,318,611	0.82
1/31/81	1,094,429	0.68

Income Account *

Year ended	12/31/84 (11 months)	1/31/84
Net sales	$ 5,056,802	$ 3,471,917
Cost of sales	1,756,797	1,210,894
Research & development costs	483,766	315,341
Expenses	1,859,967	1,398,324
Interest income	(167,296)	(104,125)
Interest expense	5,687	12,014
Other expense (income)	23,463	(4,204)
Income before taxes	$ 1,094,418	$ 643,673
Income taxes	420,000	209,370
Net Income	$ 674,418	$ 434,303

* Included in Costs and Expenses, Depreciation and Amortization: $59,025 in the period ending 12/31/84 and $70,702 in the period ending 1/31/84.

Assets

As of	12/31/84	1/31/84
Cash & temp. cash invest.	$ 3,239,635	$ 1,381,506
Accts. receiv., net	773,499	559,330
*Inventories	1,019,377	584,167
Prepaid expenses	43,038	34,950
Current Assets	$ 5,075,549	$ 2,559,953
#Fixed assets	245,798	206,461
Other assets	112,500	142,658
Total Assets	$ 5,433,847	$ 2,909,072

Liabilities

Accts. payable	$ 327,709	$ 263,739
Accruals	373,169	329,732
Warranty costs	30,000	7,000
Income taxes	153,171	190,403
Curr. Liabilities	$ 884,049	$ 791,653
Def. inc. taxes	48,300	1,860
+ Common stock	217,788	160,213
Add. paid-in capital	3,095,619	1,346,748
Retained earnings	1,188,091	608,598
Total Liabilities & Shareholders' Equity	$ 5,433,847	$ 2,909,072

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	21.64	18.54
% Net Income to Sales	13.34	12.51
% Net Income to Equity	14.98	20.53
Sales to Inventories	4.96	5.94
Working Capital	$4,191,500	$1,768,300
Current Ratio	5.74	3.23
Shareholders' Equity	$4,501,498	$2,115,559

Modular Computer Systems, Inc.

(20% owned by AEG-Telefunken of West Germany)

1650 W. McNab Road
P.O. Box 6099
Fort Lauderdale, Florida 33310
(305) 974-1380

Officers: Gabriel A. Rosica, chairman of the board, president & chief executive officer; Hollis P. Nelson, v.p.-human resources; Harold Koplow, v.p.-research & development; K.A. Estey, v.p.-customer service & operations; Frederick E. Baxter, v.p. & chief financial officer; Bernard M. Herbenick, general counsel & secretary.

Directors: Gabriel A. Rosica, chairman; Hans Gissel; William E. Mayer; David T. Morgenthaler; Edward D. Zimmer.

Areas of Work: Engaged in the development, manufacture and marketing of computer systems and software (programs) for the measurement and control market, including process measurement and control, laboratory automation, production control and monitoring, and energy demand and monitoring. Offers computer systems for the data communications market, including front-end communications processors, line and terminal concentrators, message switching, inquiry response and remote job entry.

Subsidiaries:

Modular Computer Services
The Business Centre
Berkshire RG11 2JQ United Kingdom

MODCOMP C.A.
Avenida Francisco de Miranda
Torre Bazar Bolivar
Caracas, C.P. 1070
Venezuela

Modular Computer Services
Rue De La Presse
1000 Brussels, Belgium

MODCOMP France S.A.R.L.
17 Rue des Solets Silic 115
94513 Rungis Cedex
France

ModComph GmbH
Waldmannstrassess
2000 Hamburg, 50
F.R. of Germany

MODCOMP Netherlands B.V.
Zeelantlaan No. 11
3526AK Utrecht
The Netherlands

MODCOMP Canada, Ltd.
400 Matheson Boulevard East, Unit 24
Mississauga, Ontario L4Z 1N8
Canada

MODCOMP Espana S.A.
Calle Amigo 19
Barcelona-21, Spain

Modular Computer Systems Ireland Ltd.
Carrigtwohill
County Cork, Ireland

Transfer Agent(s):

Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: MSY

Number of Employees:

1984	1,047	1981	1,535
1983	1,073	1980	1,481
1982	1,240		

Plant Footage:

1984 .... 378,000 sq. ft. 1983 312,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 78,497,000	$ 3,289,000
1983	74,947,000	(23,804,000)
1982	92,770,000	1,790,000
1981	87,200,000	1,160,000
1980	81,088,000	3,810,000

	No. of Com. Shares	Earn. per Share #
1984	5,611,000	$ 0.59
1983	5,472,000	—
1982	5,335,000	0.34
1981	5,170,883	0.22
1980	5,092,923	0.81

(Loss)
Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 50,421,000	$ 8.99
1983	46,225,000	8.45
1982	68,642,000	12.87
1981	65,677,000	12.70
1980	63,552,000	12.48

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 78,497	$ 74,947
Cost of sales	46,659	54,525
Expenses	27,223	35,214
Loss on discont. prod.	735	9,800
Est. plant consol. exp.	(846)	3,680
Interest expense	1,444	1,582
Other income	(168)	(1,423)
Income (loss) before taxes	$ 3,450	$ (28,431)
Income taxes (credit)	161	(4,627)
Net Income (Loss)	$ 3,289	$ (23,804)

* Included in Costs and Expenses, Depreciation and Amortization: $3,369,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 129	$ 497
Short-term investments	10,043	10,546
Accts. receiv., net	16,487	15,552
Refundable income taxes	159	4,612
*Inventories	23,989	27,390
Prepaid expenses	864	810
Current Assets	$ 51,671	$ 59,407
#Fixed assets	11,044	14,079
Other assets	442	1,281
Total Assets	$ 63,157	$ 74,767

Liabilities
(000's)

Notes payable	$ 1,398	$ 9,255
Long-term debt, curr.	1,587	1,518
Accts. payable	2,079	4,596
Income taxes	—	67
Accruals	5,023	8,045
Other liabilities	1,030	329
Curr. Liabilities	$ 11,117	$ 23,810
Long-term debt	1,619	4,732
+ Common stock	281	274
Add. paid-in capital	54,706	53,806
Retained earnings (deficit)	(4,566)	(7,855)
Total Liabilities & Shareholders' Equity	$ 63,157	$ 74,767

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.40	—
%Net Income to Sales	4.19	—
%Net Income to Equity	6.52	—
Sales to Inventories	3.27	2.74
Working Capital	$40,554,000	$35,597,000
Current Ratio	4.65	2.50
Shareholders' Equity	$50,421,000	$46,225,000

Mohawk Data Sciences Corp.

7 Century Drive
Parsippany, New Jersey 07054
(201) 540-9172

Officers: Ralph H. O'Brien, chairman of the board, president & chief executive officer; R. Watson Bell, exec. v.p.; F. Michael Gallagher, sr. v.p., treasurer & chief financial officer; William J. Mann, exec. v.p.; Dallas L. Talley, sr. v.p. & president-MDS Qantel; Tayne H. Elam, v.p.-product development, MDS Systems; Vincent L. Tolany, v.p. & president-MDS Dek; Herbert G. Price, sr. v.p.-technology planning; F. William Stamper, sr. v.p.-product strategies; John C. Walters, sr. v.p.-legal & secretary; Michael V. Bergamo, v.p. & president-MDS Service; Joe R. Brooks, v.p. & exec. v.p.-MDS Qantel; Stuart Goldsmith, v.p.-corp. planning & development; Robert J. Hingre, sr. v.p.-manufacturing & president-MDS Herkimer; Harry L. Hoberman, v.p.-product programs; Kenneth E. James, v.p.-human resources; Robert E. Sundius, v.p.-quality assurance & president-MDS Terminals.

Directors: Ralph H. O'Brien, chairman; R. Watson Bell, William E. McKenna, James W. Hart, Arthur F. Flaherty, L. Donald Horne, Francis P. Lucier, George R. West, William J. Mann.

Areas of Work: Through the Company's MDS Systems Division, the Company is involved in the design, manufacture and distribution of microprocessor-based data processing systems. Applications include data entry, stand-alone processing, data communications, word processing and electronic mail. The Qantel Division markets a full line of application-oriented computer systems designed for the business user. Qantel offers a variety of software packages that are designed for specific industries. The MDS Trivex Division manufactures plug-compatible terminals, printers and controllers which require no modification of hardware or software for total compatibility. MDS Service Division provides installation, preventive maintenance and repair to all users of MDS products.

Divisions:

MDS Systems
MDS Qantel
MDS Trivex
MDS Service

Subsidiaries:

Mohawk Data Sciences-Canada Limited
MDS-Belgium, S.A.
MDS A/S (Denmark)
M.D.S.-France, S.A.
MDS Deutschland GmbH (West Germany)
M.D.S. Limited-Eire
M.D.S. Italia S.p.A.
MDS Nederland N.V.
MDS-Svenska, AB
MDS Australia Pty. Ltd.
Sistemas MDS Mexico, S.A.
MDS Schweiz AG
Mohawk Data Sciences South Africa (Pty.) Ltd.
MDS Spain
MDS Computer Systems (U.K.) Ltd.

Transfer Agent(s):

The First National Bank of Boston
Post Office Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: MDS

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 402,500,000	$ (53,000,000)
1983	363,600,000	12,000,000
1982	333,900,000	15,600,000
1981	320,900,000	18,100,000
1980	287,500,000	16,600,000

	No. of Com. Shares	Earn. per Share + ‡
1984	14,564,349	$ —
1983	14,490,436	0.83
1982	13,397,264	1.16
1981	13,320,852	1.51
1980	11,146,168	1.46

(Loss)
‡ Including extraordinary gains of $600,000 ($0.04 per share) in 1983, $800,000 ($0.07 per share) in 1981 and $1,300,000 ($0.11 per share) in 1980.
+ Based on the average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 107,700,000	$ 7.39
1983	165,500,000	11.42
1982	156,900,000	11.71
1981	153,800,000	11.55
1980	93,300,000	8.37

Income Account *
(000's)

Year ended April 30	1984	1983
Net sales	$ 252,985	$ 216,985
Rentals & other income	149,480	146,639
Revenues	$ 402,465	$ 363,624
Cost of sales	126,364	94,206
Cost of rentals & services	97,315	91,510
Expenses	180,918	153,428
Non recurring change	33,279	—
Other expense	886	27
Interest expense	12,548	11,610
Interest income	(3,632)	(3,804)
Eq. in inc. of subsid.	(1,482)	(1,428)
Income (loss) before taxes	$ (43,731)	$ 18,075
Income taxes	9,233	6,675
Net Income (Loss)	$ (52,964)	$ 11,400
Extraord. gain	—	645
Net Income (Loss) & extraord. gain	$ (52,964)	$ 12,045

* Included in Costs and Expenses, Depreciation and Amortization: $33,328,000 in 1984 and $37,100,000 in 1983.

Assets
(000's)

As of April 30	1984	1983
Cash	$ 3,110	$ 4,946
Accts. receiv., net	88,118	85,354
Investment in sales-type leases	16,184	16,407
*Inventories	64,242	60,369
#Rental equipment	88,495	106,662
#Fixed assets	30,459	28,160
Intangibles	9,075	8,683
Investments in affil.	14,169	16,390
Other assets	20,118	15,801
Total Assets	$ 333,970	$ 342,772

Liabilities
(000's)

Accts. payable	$ 20,698	$ 19,220
Mortgages & other debt	6,873	5,194
Accrued payroll	9,106	5,714
Income taxes	5,293	4,591
Other taxes	6,176	6,074
Accruals	24,813	11,396
Long-term debts	112,663	85,545
Subord. deben.	18,792	18,792
Deferred credits	10,907	9,847
Deferred inc. taxes	10,920	10,918
+ Common stock	1,456	1,449
Add. paid-in capital	118,241	117,366
Retained earnings	12,067	65,031
Cum. trans. adjust.	(24,035)	(18,365)
Total Liabilities & Shareholders' Equity	$ 333,970	$ 342,772

* At lower of cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Revenues	—	4.97
%Net Income to Revenues	—	3.14
%Net Income to Equity	—	6.89
Shareholders' Equity	$107,729,000	$165,481,000

Molex Incorporated

2222 Wellington Court
Lisle, Illinois 60532
(312) 969-4550

Officers: John Krehbiel, chairman; John H. Krehbiel, Jr., president; Frederick Krehbiel, exec. v.p.; Kerry Krafthefer, v.p.-sales & marketing; Ronald L. Schubel, v.p.-operations; Hideo Horikoshi, president-Molex Far Eastern Operations; Ronald Canaday, v.p.-finance; John C. Psaltis, v.p. & treasurer; Louis A. Hecht, secretary & general counsel.

Directors: John H. Krehbiel, chairman; John H. Krehbiel, Jr., Frederick A. Krehbiel, Lewis E. Platt, Robert J. Potter, Robert H. Hayes.

Areas of Work: Engaged in the production and sale of connectors, conductor cable, terminals, interconnection systems, switches and associated application equipment for electrical and electronic products. Also involved in the extrusion of plastics, the laminating of multi-conductor cable, the further processing (notching, slitting, cutting) of such cable and fabricating these into cable connector assemblies.

Divisions and Subsidiaries:

Molex S.A. de C.V.
Molex Far East Management, Ltd.
Molex Japan Co., Ltd.
Molex Singapore Pte., Ltd.
Molex Taiwan Ltd.
Taiwan Connections Ltd.
Molex Hong Kong Ltd.
Molex Electronics Ltd. (Canada)
Molex Electronica Ltda.
Molex European Management Ltd.
Molex Export Inc.
France Connexion S.A. (85% owned)
ETC-Molex, Inc.
Molex International, Inc.
Molex Electronics Ltd. (U.K.)
Moles Italia S.p.A.
Moles G.m.b.H.
Molex Svenska A.B.
Molex (Benelux) B.V.
Commercial Products Division
Data Products Division
Special Products Division
Application Tooling Division
Manufacturing Tooling Division
industrial Interfaces Inc. (90% owned)
Molex Ltd. Japan
Taiwan Connections Ltd.
Molex Illinois S.A.
Molex Parkfield Ltd.
Smithstown Light Eng. Ltd. (50% owned)
Technor (Pty.) Ltd. (30% owned)

Transfer Agent(s):

American National Bank and Trust Company of Chicago
33 North LaSalle Street
Chicago, Illinois 60690

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MOLX (NASDAQ)

Number of Employees:

1984	4,166	1981	2,379
1983	3,053	1980	2,100
1982	2,655		

Sales and Earnings

	Net Sales	Net Income
1984	$ 252,222,277	$ 38,240,907
1983	175,976,080	22,020,163
1982	165,852,264	20,735,417
1981	143,013,603	17,156,783
1980	121,523,387	14,844,981

	No. of Com Shares ‡	Earn per Share ‡
1984	19,993,687	$ 1.91
1983	19,863,874	1.11
1982	19,767,534	1.05
1981	19,623,312	0.87
1980	19,543,434	0.76

‡ Based on the average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.03	100%	—
1983	0.02	50%	—
1982	0.02	—	—
1981	0.02	50%	—
1980	0.02	25%	—

‡ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1984	$ 156,164,429	$ 7.81
1983	118,225,815	5.95
1982	94,317,685	4.77
1981	78,223,838	3.99
1980	62,753,621	3.21

+ After allowing for preferred stock at par value.
‡ Based on the average number of common shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 252,222,277	$ 175,976,080
Cost of sales	119,652,588	87,216,828
Expenses	66,364,304	49,345,453
Other income	(3,898,521)	(2,467,702)
Income before taxes	$ 70,103,906	$ 41,881,501
Income taxes	31,811,000	19,725,000
Minority interest	51,999	136,338
Net Income	$ 38,240,907	$ 22,020,163

* Included in Costs and Expenses, Depreciation and Amortization: $14,888,230 in 1984 and $13,233,709 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 3,388,179	$ 5,364,929
Accts. receiv., net	52,792,404	42,327,586
*Inventories	26,793,080	18,865,988
Prepaid expenses	691,193	1,084,792
Cert. of deposit	61,969,761	44,717,526
Current Assets	$ 145,634,617	$ 112,360,821
#Fixed assets	78,577,325	54,160,015
Other assets	1,869,850	1,378,196
Total Assets	$ 226,072,792	$ 167,899,032

Liabilities

Note payable	$ 483,080	$ 152,040
Long-term debt, curr.	1,550,258	1,120,874
Accts. payable	24,238,927	17,512,121
Accruals	7,206,011	4,921,336
Accrued payroll	7,432,891	5,159,130
Dividends payable	153,365	127,375
Income taxes	10,464,676	7,611,452
Accrued prof. sh. plan	3,193,858	2,219,371
Curr. Liabilities	$ 54,723,066	$ 38,823,699
Long-term debt	5,244,682	5,496,143
Deferred income	1,667,156	1,577,637
Deferred inc. taxes	6,646,433	3,172,749
Other deferred items	191,152	208,417
Minority interest	437,723	347,208
+ Preferred stock	47,364	47,364
+ + Class B common stock	4,713	4,793
+ + Common stock	998,151	493,357
Add. paid-in capital	9,929,058	6,793,021
Retained earnings	156,891,832	119,727,751
Def. unearned comp.	(2,250,077)	(1,896,549)
Treasury stock	(79,643)	—
Cum. trans. adjust.	(8,378,818)	(6,896,558)
Total Liabilities & Shareholders' Equity	$ 226,072,792	$ 167,899,032

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $100 par value; 6% non-cumulative.
+ + $0.05 par value.

Statistical Summary

% Income bef. Taxes to Sales	27.79	23.80
% Net Income to Sales	15.16	12.51
% Net Income to Equity	24.33	18.62
Sales to Inventories	9.41	9.33
Working Capital	$ 90,911,551	$73,537,122
Current Ratio	2.66	2.89
Shareholders' Equity	$157,162,580	$118,273,179

Monolithic Memories, Inc.

2175 Mission College Boulevard
Santa Clara, California 95054

Officers: Zeev Drori, chairman of the board; Irwin Federman, president & chief executive officer; Michael J. Callahan, exec. v.p. & chief operating officer; Thomas J. Branch, v.p.-sales; Kenneth W. Gates, v.p.-Worldwide Assembly; Gordon L. Peterson, v.p.-Military Products Division; William H. Bennett, v.p.-human resources; Robert G. Bortfeld, v.p.-Sunnyvale Operations; George J. Kern, v.p.-Santa Clara Operations; James M. Eustice, treasurer; Larry W. Sonsini, secretary; John C. Bolger, v.p.-finance; H.T. Chua, v.p.-product & technology development; Cyrus Tsui, v.p.-commercial product division; Timothy J. Propeck, v.p.-marketing.

Directors: Zeev Drori, chairman; Irwin Federman, Larry W. Sonsini, Charles M. Blalack, Eugene Kleiner, Charles L. Lea, Jr., Robert C. Wilson.

Areas of Work: The corporation designs, manufactures and markets large-scale integrated semiconductor circuits.

Subsidiaries:

Monolithic Memories GmbH
Mauerkircherstrasse 4
8000 Munich 80
West Germany

Monolithic Memories Limited
Monolithic House
1 Queens Road
Farnborough
Hampshire Gu 14 6DJ
England

Monolithic Memories (France) SARL
8 Rue de l'Esterel
Silic 463
94613 Rungis Cedex
France

MMI-Japan KK
Shinjuku Nomura Shoken Bldg. 5F
5-17-9 Shinjuku
Tokyo 160
Japan

Monolithic Memories Malaysia Sdn Bhd
Post Office Box 201
Pulau Penang
Malaysia

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MMIC (NASDAQ)

Number of Employees:

1984	3,800	1982	2,700
1983	3,000	1981	2,241

Plant Footage:

1984	327,000 sq. ft.	1982	244,000
1983	254,000	1981	244,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 187,293,000	$ 26,899,000
1983	105,391,000	10,154,000
1982	68,598,000	2,801,000
1981	76,310,000	6,968,000
1980	77,033,000	9,623,000

	No. of Com Shares ‡	Earn. per Share ‡
1984	18,978,000	$ 1.42
1983	16,827,000	0.60
1982	13,486,000	0.21
1981	13,046,000	0.53
1980	10,720,000	0.90

‡ Based on the weighted average number of common shares and common share equivalents outstanding fully diluted adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 156,149,000	$ 8.24
1983	124,348,000	7.39
1982	53,826,000	3.99
1981	50,286,000	3.85
1980	40,171,000	3.75

‡ Based on the weighted average number of common shares and common share equivalents outstanding fully diluted adjusted to reflect stock split.

Income Account *

	9/30/84	10/2/83
Net sales	$ 187,293,000	$ 105,391,000
Cost of sales	91,283,000	60,201,000
Expenses:		
Res., develop. & engineering	19,775,000	13,733,000
Marketing	24,482,000	14,775,000
Gen. & adm.	12,722,000	8,190,000
Other income	(6,950,000)	(2,862,000)
Income before taxes	$ 41,074,000	$ 11,354,000
Income taxes	14,175,000	1,200,000
Net Income	$ 26,899,000	$ 10,154,000

* Included in Costs and Expenses, Depreciation and Amortization: $12,909,000 in 1984 and $8,265,000 in 1983.

Assets

As at	9/30/84	10/2/83
Cash	$ 71,952,000	$ 67,381,000
Accts. receiv., net	28,702,000	21,709,000
*Inventories	23,216,000	16,124,000
Prepaid expenses	1,123,000	961,000
Current Assets	$ 124,993,000	$ 106,175,000
#Fixed assets	91,901,000	52,737,000
Other assets	861,000	963,000
Total Assets	$ 217,755,000	$ 159,875,000

Liabilities

Notes payable to bank	$ 7,567,000	$ 3,292,000
Long-term debt, curr.	488,000	1,006,000
Oblig. under cap. leases, curr.	706,000	1,031,000
Accts. payable	13,096,000	8,245,000
Accrued payroll	4,306,000	2,921,000
Def. inc. on ship to distr.	5,988,000	2,583,000
Income taxes payable	1,935,000	365,000
Def. inc. taxes	2,276,000	
Other accrued liab.	8,259,000	4,692,000
Curr. Liabilities	$ 44,621,000	$ 24,135,000
Long-term debt	411,000	1,289,000
Oblig. under cap. leases	3,983,000	4,688,000
Deferred inc. taxes	12,591,000	5,415,000
+ Common stock	367,000	356,000
Add. paid-in capital	98,481,000	93,590,000
Retained earnings	57,301,000	30,402,000
Total Liabilities & Shareholders' Equity	$ 217,755,000	$ 159,875,000

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.02 par value.

Statistical Summary

%Income bef. Taxes to Sales	21.93	10.77
%Net Income to Sales	14.36	9.63
%Net Income to Equity	17.23	8.17
Sales to Inventories	8.07	6.54
Working Capital	$ 80,372,000	$ 82,040,000
Current Ratio	2.80	4.40
Shareholders' Equity	$156,149,000	$124,348,000

Monsanto Company

800 N. Lindbergh Boulevard
St. Louis, Missouri 63167
(314) 694-1000

Officers: Louis Fernandez, chairman of the board; Richard J. Mahoney, president & chief executive officer; Francis J. Fitzgerald, Earle H. Harbison, Jr., Nicholas L. Reding, executive vice presidents; Robert L. Berra, Francis E. Reese, Howard A. Schneiderman, Harold J. Corbett, Howard A. Schneiderman, senior vice presidents; Francis A. Stroble, sr. v.p. & chief financial officer; Robert E. Burke, Thomas L. Gossage, Robert G. Potter, Donald H. Swan, group v.p.'s; Richard W. Duesenberg, sr. v.p., secretary & general counsel; Constantine E. Anagnostopoulos, Leonard A. Cohn, Charles A. Faden, S. Allen Heininger, Joseph T. Nolan, Martin J. Kallen, Stewart D. Daniels, Richard U. DeSchutter, Earl N. Brasfield, John F. Hussey, David L. Sliney, Thomas H. Lafferre, James H. Senger, vice presidents; Lawrence B. Skatoff, v.p. & controller.

Directors: Louis Fernandez*, chairman; John W. Hanley*, Donald C. Carroll, C.R. Dahl, Richard I. Fricke, Jean Mayer, Stansfield Turner, Howard M. Love, Edward L. Palmer, Buck Mickel, Richard J. Mahoney*, Margaret Bush Wilson*, John B. Slaughter, Richard W. Duesenberg.

* Member of the Executive Committee.

Areas of Work: Primarily engaged in the development, manufacture and sale of chemicals; the Company's principal product groups include: man-made fibers, plastics, resins and coatings, fertilizers and crop-protection chemicals, phosphates and detergents, chemical intermediates, plasticizers and functional fluids, rubber chemicals, food ingredients and fine chemicals, heavy chemicals. Makes and markets pollution control equipment. In the electronics field, the Company manufactures silicon materials, semi-conductor materials, process controls, develops and produces power sources for the Atomic Energy Commission, space programs, the life sciences and oceanographic research.

Operating Units:

Monsanto Agricultural Products Company
Monsanto Industrial Chemicals Company
Monsanto Fibers and Intermediates Company
Monsanto Polymer Products Company
Monsanto Engineered Electronics Materials and Fabricated Products
Monsanto Biological Sciences

All headquartered at

800 N. Lindbergh Boulevard
St. Louis, Missouri 63167

Electronics & Related Subsidiaries:

Fisher Controls International, Inc.
Manufactures and markets process measurement and control equipment.

Monsanto Enviro-Chem Systems, Inc.
Develops and markets engineered chemical facilities and pollution abatement systems.

Monsanto Research Corporation
Conducts research for government agencies and for Monsanto, produces nuclear sources, operates a government-owned laboratory for the Atomic Energy Commission.

Industrias Monsanto S.A., Brazil
Manufactures rubber chemical, phosphates and process control equipment.

Monsanto Electronics
Sendirian Berhad, Malaysia
Process silicon wafers from slicing through polishing.

Radiation Dynamics, Inc.
Melville, New York
Involved in the field of electron beam processing, manufactures industrial process accelerators and medical radiation processing equipment.

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Pacific, Midwest

Ticker Symbol: MTC

Number of Employees:

1984	50,754	1981	57,391
1983	48,835	1980	61,836
1982	52,199		

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1984	$ 6,691,000	$ 439,000
1983	6,299,000	402,000
1982	6,325,000	352,000
1981	6,948,000	445,000
1980	6,574,000	149,000

	No. of Com. Shares †	Earn. per Share #‡
1984	78,281,026	$ 5.42
1983	81,842,592	4.89
1982	81,195,222	4.39
1981	78,936,568	5.75
1980	72,339,298	2.05

‡ Including extraordinary gains of $33,000,000 ($0.41 per share) in 1983 and $23,000,000 ($0.29 per share) in 1982.
+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Agricultural prods.	$ 1,256,000	$ 1,167,000
Biological sciences	168,000	152,000
Fibers & intermediates	1,194,000	1,170,000
Industrial chemicals	937,000	856,000
Polymer prods.	1,877,000	1,830,000
Electronic materials & fabricated prods.	519,000	355,000
Fisher centrals	537,000	528,000
Oil & gas	203,000	241,000
Total	$ 6,691,000	$ 6,299,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$2.25	—	2-for-1
1983	2.075	—	—
1982	1.975	—	—
1981	1.875	—	—
1980	1.775	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share †
1984	$ 3,364,000	$ 46.42
1983	3,677,000	44.93
1982	3,490,000	42.98
1981	3,322,962‡	42.10
1980	2,799,211‡	38.70

† Adjusted to reflect stock split.
‡ After allowing for preferred stock at voluntary liquidation value of $73 per share.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 6,691,000	$ 6,299,000
Cost of sales	4,846,000	4,738,000
Expenses	1,168,000	1,040,000
Oper. profit	$ 677,000	$ 521,000
Other income	130,000	145,000
Total	$ 807,000	$ 666,000
Interest expense	100,000	96,000
Income before taxes	$ 707,000	$ 570,000
Income taxes	268,000	201,000
Net Income	$ 439,000	$ 369,000
Extraord. gain	—	33,000
Net Income & extraord. gain	$ 439,000	$ 402,000

* Included in Costs and Expenses, Depreciation, Obsolescence and Depletion: $491,000,000 in 1984 and $517,000,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 149,000	$ 164,000
Marketable securities	310,000	493,000
Receiv., net	1,299,000	1,320,000
*Inventories	839,000	778,000
Current Assets	$ 2,597,000	$ 2,755,000
Investments & other assets	402,000	388,000
#Fixed assets	3,374,000	3,284,000
Total Assets	$ 6,373,000	$ 6,427,000

Liabilities

Accounts payable	$ 497,000	$ 500,000
Wages & commissions	110,000	108,000
Income & other taxes	69,000	104,000
Misc. accruals	249,000	255,000
Short-term debt	277,000	253,000
Curr. Liabilities	$ 1,202,000	$ 1,220,000
Long-term debt	824,000	937,000
Other liabilities	43,000	32,000
Deferred inc. taxes	661,000	558,000
Minority interests	9,000	13,000
+ Common stock	164,000	82,000
Add. paid-in capital	855,000	936,000
Accum. curr. adj	(319,000)	(200,000)
Retained earnings	3,110,000	2,853,000
Treasury stock	(176,000)	(4,000)
Total Liabilities & Shareholders' Equity	$ 6,373,000	$ 6,427,000

* At lower of cost (domestic inventories at LIFO; all others at FIFO) or market

# Less accumulated depreciation and depletion, etc.

+ $2 par value

Statistical Summary

% Income bef. Taxes to Sales	10.57	9.05
% Net Income to Sales	6.56	5.86
% Net Income to Equity	12.08	10.06
Sales to Inventories	7.97	8.10
Working Capital	$1,395,000,000	$1,535,000,000
Current Ratio	2.16	2.26
Shareholders' Equity	$3,634,000,000	$3,667,000,000

Moog Inc.

East Aurora, New York 14052
(716) 652-2000

Officers: William C. Moog, president & chairman; Jerald D. Bidlack, v.p. & pres.-International Controls; Richard A. Aubrecht, admin. v.p. & secretary; Robert T. Brady, Kenneth D. Garnjost, Joe C. Green, Daniel C. Clark, William J. Thayer, Robert R. Banta, John Burgess, v.p.'s; Henry J. Ernst, treasurer

Directors: William C. Moog, Warren B. Cutting, Jane B. Moog, Kenneth J. McIlraith, Arthur S. Wolcott, Jerald D. Bidlack, William F. Milliken, Jr., Wesley T. Hanson, Jr., Richard A. Aubrecht, Peter Poth, Steven B. Sample

Areas of Work: Manufactures advanced controls and control systems which utilize high performance servovalves for industrial and aerospace applications; manufactures numerically controlled metalcutting machine tools and computer numerically-controlled machine tools throughout the world

Divisions:

Industrial Controls Division
Manufactures electrohydraulic controls for the guidance systems of space boosters, missiles, and aircraft. For industrial markets, produces controls for machine tools, computer memory access systems, construction equipment, plastic molding equipment, and other process control systems.

Electronic Motion Controls Division
Manufactures and markets electronic motion controls products

MHP Machines, Inc.
Manufactures numerically-controlled milling-drilling machines and computer numerically-controlled machine tools

International Controls Division
Identifies and develops markets outside North America for precision control components and systems

Aerospace Group

Missile Systems Division
Supplier of servovalves for missiles

Aircraft Controls Division
Manufactures various types of servoactivators, hydromechanical control systems and helicopter products

Space Products Division
Produces components for propulsion systems to control flight path

Carlton Group
Produces precision pneumatic components and systems

Electronics & Systems Division
Product lines include plastic controls, secure radio controls, custom control systems, and specialized electronics assemblies

Subsidiaries:

Moog DISC Ltd.
East Aurora, New York

Moog GmbH
Boblingen, Germany
(7031) 20011

Moog Hydra-Point Ltd.
Cheltenham, England

Moog Japan Ltd. (75% owned)
Hiratsuka, Japan

Moog S.a.r.L.
Rungis, France

Moog Hydra-Point Canada, Ltd.
Canada

Moog Industrial Controls Corporation
New York

Moog S.R.L.
Italy

Moog Hydra-Point GmbH
Germany

Carleton Controls Corp.
Carleton Controls International Inc. (DISC)
East Aurora, New York
(716) 652-8100

Moog Controls Limited
United Kingdom

Moog do Brasil Controles Ltda.
Brazil

Moog Sweden A.B.
Sweden

Transfer Agent(s):

The Bradford Trust Company
67 Broad St.
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: MOG

Number of Employees:

1984	N.A.	1981	2,623
1983	2,908	1980	2,416
1982	2,889		

Plant Footage:

1984	N.A.	1982	734,650 sq. ft.
1983	N.A.	1981	647,650

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 196,859,000	$ 7,441,000
1983	166,351,000	963,000
1982	154,357,000	6,910,000
1981	132,476,000	10,245,000
1980	111,295,000	6,781,000

	No. of Com. Share #	Earn. per Share #
1984	8,701,000	$ 0.86
1983	8,650,000	0.11
1982	8,644,000	0.80
1981	7,956,000	1.29
1980	6,246,000	1.09

+ Of continuing operations only

Based on the average number of shares outstanding adjusted to reflect stock dividends

Revenues By Line of Business

	1984	1983
Controls	$ 163,655,000	$ 137,844,000
International Controls	33,204,000	28,507,000
Total	$ 196,859,000	$ 166,351,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20		
1983	0.20		
1982	0.20		
1981	0.20		
1980	0.156	75% & 50%	

Adjusted to reflect stock dividends

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 75,919,000	$ 8.73
1983	74,642,000	8.63
1982	75,976,000	8.79
1981	74,167,000	9.32
1980	41,169,000	6.59

Based on the average number of shares outstanding adjusted to reflect stock dividends

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 196,859,000	$ 166,351,000
Other income	1,184,000	740,000
Total Income	$ 198,043,000	$ 167,091,000
Cost of sales	142,678,000	120,932,000
Expenses	32,784,000	28,337,000
Interest expense	9,481,000	6,456,000
Other charges	292,000	39,000
Loss from currency trans	1,169,000	251,000
Income before taxes	$ 11,639,000	$ 11,076,000
Income taxes	4,198,000	3,381,000
Inc.-cont. oper	$ 7,441,000	$ 7,695,000
Loss-discont. oper		(6,732,000)
Net Income	$ 7,441,000	$ 963,000

* Included in Costs and Expenses: Depreciation and Amortization: $8,925,000 in 1984 and $7,792,000 in 1983

Assets

As of Sept. 30	1984	1983
Cash	$ 4,745,000	$ 6,198,000
Accts. receiv., net	63,729,000	49,611,000
*Inventories	51,450,000	47,435,000
Deferred inc. taxes	5,699,000	3,819,000
Prepaid expenses	933,000	1,098,000
Current Assets	$ 126,556,000	$ 108,161,000
#Fixed assets	84,069,000	83,821,000
Net assets of discont. Hydra-Point Segment		6,995,000
Other assets	2,380,000	2,478,000
Total Assets	$ 213,005,000	$ 201,455,000

Liabilities

Notes payable	$ 12,656,000	$ 6,430,000
Long-term debt, curr	3,856,000	4,102,000
Accts. payable	12,562,000	7,608,000
Accruals	5,876,000	6,318,000
Accrued payroll	11,490,000	7,628,000

Income taxes	499,000	558,000
Advances & progress billings in excess of related costs	4,065,000	7,291,000
Current Liabilities	$ 51,004,000	$ 39,935,000
Long-term debt	74,494,000	78,642,000
Pension obligation	1,467,000	1,313,000
Minority interest	275,000	617,000
Deferred credits	99,000	161,000
Deferred inc. taxes	9,747,000	6,145,000
+ Common stock	8,742,000	8,667,000
Add. paid-in capital	43,240,000	42,426,000
Retained earnings	27,930,000	27,141,000
Foreign curr. trans.	(3,991,000)	(3,590,000)
Treasury stock	(2,000)	(2,000)
Total Liabilities & Shareholders' Equity	$ 213,005,000	$ 201,455,000

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	5.91	
%Net Income to Sales	3.78	
%Net Income to Equity	9.80	1.29
Sales to Inventories	3.83	3.51
Working Capital	$75,552,000	$68,226,000
Current Ratio	2.48	2.71
Shareholders' Equity	$75,919,000	$74,642,000

Moore Products Co.

Sumneytown Pike
Spring House, Pennsylvania 19477
(215) 646-7400

Officers: Edwin G. Rorke, chairman of the board & president; Ralph H. Owens, senior v.p.; Robert B. Adams, v.p.-engineering; Richard J. Faber, v.p.-mfg.; George W. Tall, v.p.-sales; Hugh S. Wilson, v.p.-int'l operations; William J. Young, treasurer; Charles H. Welles, III, secretary

Directors: Robert W. Buhner, James E. Gambrill, Thomas C. Moore, Edwin G. Rorke*, G. Charles H. Welles III, Ralph H. Owens*, William J. Young*, James O. Moore, William B. Moore, Charles H. Welles, III

* Member of the Executive Committee

Areas of Work: Designs, manufactures and markets measurement and control equipment and systems for the process industries and dimensional measurement and control equipment for the bearing, automotive, and other hard good manufacturers. Researches and manufactures fluidic devices

Subsidiaries:

Moore Instruments Ltd./Ltee
Brampton, Ontario, Canada

Moore Products Co. (U.K.), Limited
East Molesey
Surrey, England

Moore Products Co. B.V.
Breda, The Netherlands

Moore Products de Mexico S.A. de C.V. (joint venture)
Av. Constituyentes 329
Mexico 18, D.F.

Transfer Agent(s):

Girard Bank
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MORP (NASDAQ)

Plant Footage:

1984	374,000 sq. ft.	1981	371,000
1983	374,000	1980	296,000
1982	374,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 62,309,000	$ 3,028,000
1983	53,150,000	2,982,000
1982	64,909,000	5,278,000
1981	64,555,000	6,002,000
1980	57,122,000	4,903,000

	No. of Com Shares	Earn. per Share ‡
1984	2,069,579	$ 1.46
1983	2,069,579	1.44
1982	2,069,579	2.56
1981	2,061,642	2.93
1980	2,041,575	2.41

‡ Based on the average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.88	—	—
1983	0.88	—	—
1982	0.86	—	—
1981	0.80	—	—
1980	0.78	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 41,207,000	$ 19.91
1983	40,893,000	19.76
1982	40,085,000	19.37
1981	36,586,000	17.75
1980	32,541,000	15.94

‡ After allowing for preferred stock at par value

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 62,309	$ 53,150
Cost of sales	29,893	23,511
Expenses	28,862	25,525
Other income	(916)	(1,077)
Income before taxes	$ 4,470	$ 5,191
Income taxes	1,442	2,209
Net Income	$ 3,028	$ 2,982

* Included in Costs and Expenses, Depreciation and Amortization $1,880,000 in 1984 and $1,637,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term investments	$ 5,349	$ 11,142
Accts. receiv., net	10,382	6,931
*Inventories	17,670	15,029
Prepaid expenses	999	546
Current Assets	$ 34,400	$ 33,648
#Fixed assets	13,226	12,871
Other assets	229	147
Total Assets	$ 47,855	$ 46,666

Liabilities
(000's)

Accounts payable	$ 2,012	$ 1,545
Accruals	3,229	3,009
Adv. from cust.	23	30
Income taxes	253	194
Curr. Liabilities	$ 5,517	$ 4,778
Def. inc. taxes	955	819
+ Preferred stock	176	176
+ + Common stock	2,070	2,070
Add. paid-in capital	2,937	2,937
Retained earnings	38,217	37,018
For. curr. trans. adjust	(2,017)	(1,132)
Total Liabilities & Shareholders' Equity	$ 47,855	$ 46,666

* At lower of cost or market. Domestic inventories at LIFO, foreign at FIFO
# Less accumulated depreciation
+ $1 par value, 5% cumulative convertible
+ + $1 par value

Statistical Summary

%Income bef. Taxes to Sales	7.17	9.77
%Net Income to Sales	4.86	5.61
%Net Income to Equity	7.32	7.26
Sales to Inventories	3.53	3.54
Working Capital	$28,883,000	$28,870,000
Current Ratio	6.24	7.04
Shareholders' Equity	$41,383,000	$41,069,000

Motorola, Inc.

Motorola Center
1303 East Algonquin Road
Schaumburg, Illinois 60196
(312) 397-5000

Officers: Robert W. Galvin, chairman of the board & chief executive officer; William J. Weisz, vice chairman & chief operating officer; John F. Mitchell, president & asst. chief operating officer; Stephen L. Levy, exec. v.p.-Japanese operations; Levy Katzir, sr. v.p. & gen. mgr.-new enterprises; John T. Hickey, exec. v.p. & chief financial officer; Donald R. Jones, sr. v.p., treasurer & asst. chief financial officer; Kenneth J. Johnson, v.p. & controller; Richard H. Weise, v.p., general counsel & secretary; John R. Welty, exec. v.p. & chief coporate staff officer; L. Curtis Foster, v.p. & dir.-engineering; Jack Germain, sr. v.p. & dir-quality; R. James Harring, v.p. & corp. director-planning; H. Richard Klotz, v.p.-taxes; Victor R. Kopidlansky, v.p. & asst. gen. counsel; William G. Howard, Jr., sr. v.p.-research & development; Keith J. Bane, v.p.-corporate strategy; Toni Dewey, v.p.-public relations & advertising; C. Travis Marshall, v.p.-government relations; Vincent J. Rauner, v.p.-patents, trademarks & licensing; Robert N. Swift, exec. v.p. & dir. of personnel; James D. Burge, v.p. & dir.-personnel, U.S.; James Donnelly, v.p. & dir-personnel, international; Joseph Miraglia, v.p. & dir.-human resources; Rhesa S. Farmer, exec. v.p. & gen. mgr.-Communications Sector; Gary L. Tooker, exec. v.p. & general manager-Semiconductor Products Sector; Arthur Carr, exec. v.p. & gen. mgr.-Information Systems Group; Carl E. Lindholm, exec. v.p. & gen. mgr.-Automotive & Industrial Electronics Group; James R. Lincicome, exec. v.p. & gen. mgr.-Government Electronics Group

Directors: Robert W. Galvin, Walter B. Scott, William J. Weisz, John F. Mitchell, Arthur C. Nielson, Jr., Stephen L. Levy, B. Kenneth West, John T. Hickey, John J. Antalek, William G. Salatich, M. Joseph Lambert, Gardiner L. Tucker, Lawrence Howe, Anne P. Jones, Walter E. Massey

Areas of Work: Engaged in the design, manufacture and sale of a diversified line of electronic equipment and components, including two-way radios and other forms of electronic communication systems, semi-conductors, including integrated circuits, discrete semiconductors, and microprocessor units, information systems products such as multifunction computer systems, low, medium and high speed modems, multiplexers and network processors and multifunction computer systems for distributed data processing and office automation applications, electronic equipment for military and aerospace use, electronic engine controls, digital appliance controls, automobile radios and other automotive and industrial electronic equipment.

Divisions:

Automotive and Industrial Electronics Group
1299 East Algonquin Road
Schaumburg, Illinois 60196
(312) 397-8000

Products include alternator charging systems, solid state ignition systems, electronic instrumentation and engine control modules.

Communications Sector
1301 East Algonquin Road
Schaumburg, Illinois 60916
(312) 397-1000

Mobile and portable FM two-way radio communications systems, radio paging systems, communications control centers, radio operations, microwave communications equipment and systems, single sideband radio equipment, and cellular mobile telephone systems.

Communications Distribution Group
Communications International Group
Fixed and Mobile Group
Portable/Paging/Systems Components Group

Semiconductor Products Sector
5005 East McDowell Road
Phoenix, Arizona 85008
(602) 244-6900

MOS and bipolar integrated circuits, power and small signal transistors, thyristors, varactors, zener and tuning diodes, optoelectronics, semiconductor chips, RF modules, microwave devices, triggers, suppressors, field effect transistors.

Discrete Semiconductor Group
Bipolar Integrated Circuits Group
International Semiconductor Group
MOS Integrated Circuits Group

Government Electronics Group
8201 East McDowell Road
Scottsdale, Arizona 85252
(602) 949-3033

Products include government electronics products, such as diversified military and space electronic equipment, including aerospace telecommunications systems, military communications equipment, radar systems, data links display systems, positioning and navigation systems, missile guidance equip-/ment, electronic ordnance devices and drone electronic systems.

Subsidiaries:

Motorola Communications and Electronics, Inc.
1301 Algonquin Road
Schaumburg, Illinois 60196
(312) 397-1000

Motorola Semiconductor Products, Inc.
5005 East McDowell Road
Phoenix, Arizona 85008
(602) 273-6900

Motorola Military and Aerospace Electronics, Inc.
8201 East McDowell Road
Scottsdale, Arizona 85252
(602) 949-3033

Codex Corporation
20 Cabot Boulevard
Mansfield, Massachusetts 01201
(413) 448-8214

Motorola Communications International Inc.
1303 Algonquin Road
Schaumburg, Illinois 60196
(312) 397-1000

Four Phase Systems, Inc.
10700 North DeAnza Boulevard
Cupertino, California 95014
(403) 255-0900

Universal Data Systems, Inc.
5000 Bradford Drive
Huntsville, Alabama 35805
(205) 837-8100

Transfer Agent(s):

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60603

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: MOT

Number of Employees:

1984	99,000	1981	76,300
1983	88,800	1980	71,500
1982	78,800		

Sales and Earnings

	Net Sales † (000's)	Net Income ‡ (000's)
1984	$ 5,534,000	$ 349,000
1983	4,328,000	244,000
1982	3,786,000	178,000
1981	3,570,000	182,000
1980	3,284,000	192,000

	No. of Com. Shares #	Earn. per Share #‡
1984	118,491,000	$ 3.27
1983	117,138,000	2.09
1982	109,518,000	1.62
1981	107,142,000	1.70
1980	105,351,000	1.82

† Includes other revenue

‡ Including extraordinary gain of $8,000,000 ($0.23 per share) in 1982

Based on the average number of shares outstanding adjusted to reflect stock split

Revenues By Line of Business
(000's)

	1984	1983
Communications products	$ 2,055,000	$ 1,620,000
Semiconductor products	2,227,000	1,603,000
Info. systems prods	618,000	514,000
Other products	812,000	693,000
Eliminations	(178,000)	(102,000)
Total	$ 5,534,000	$ 4,328,000

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.61	—	3-for-1
1983	0.53	—	—
1982	0.53	—	—
1981	0.53	—	—
1980	0.48	—	—

‡ Adjusted to reflect stock split

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 2,278,000	$ 19.23
1983	1,948,000	16.63
1982	1,700,000	15.52
1981	1,409,000	13.15
1980	1,256,000	11.92

‡ Based on the average number of shares outstanding adjusted to reflect stock split

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales & other revenues	$ 5,534,000	$ 4,328,000
Cost of sales	3,206,000	2,593,000
Expenses	1,475,000	1,113,000
Depreciation	353,000	289,000
Interest expense	34,000	24,000
Income before taxes	$ 466,000	$ 309,000
Income taxes	79,000	65,000
Net Income	$ 387,000	$ 244,000

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term investments	$ 168,000	$ 207,000
Accts. receiv., net	817,000	655,000
Future tax benefits	161,000	103,000
*Inventories	924,000	679,000
Other assets	133,000	86,000
Current Assets	$ 2,203,000	$ 1,730,000
#Fixed assets	1,742,000	1,278,000
#Equip. leased to others	150,000	151,000
Sundry assets	99,000	77,000
Total Assets	$ 4,194,000	$ 3,236,000

Liabilities
(000's)

Long-term debt, curr	$ 111,000	$ 8,000
Accts. payable	436,000	340,000
Accruals	540,000	398,000
Income taxes	115,000	90,000
Curr. Liabilities	$ 1,202,000	$ 836,000
Long-term debt	531,000	262,000
Deferred taxes	102,000	108,000
Other liabilities	81,000	82,000
† Common stock	356,000	118,000
Add. paid-in capital	478,000	463,000
Retained earnings	1,444,000	1,367,000
Total Liabilities & Shareholders' Equity	$ 4,194,000	$ 3,236,000

* At lower of average cost (FIFO) or market

Less accumulated depreciation

† $3 par value

Statistical Summary

%Income bef. Taxes to Sales	8.42	7.14
%Net Income to Sales	6.99	5.64
%Net Income to Equity	16.99	12.53
Sales to Inventories	5.99	6.37
Working Capital	$1,001,000,000	$ 894,000,000
Current Ratio	1.83	2.07
Shareholders' Equity	$2,278,000,000	$1,948,000,000

MSI Data Corporation

340 Fischer Avenue
Costa Mesa, California 92626
(714) 549-6000

Mailing address:

P.O. Box 11466
Santa Ana, California 92711

Officers: William J. Bowers, chairman of the board, president & chief executive officer; Herbert R. Espeland, v.p.-operations; Joseph R. Falvey, v.p.-North American sales; Charles E. Butler, v.p.-marketing; Richard S. Rager, v.p.-engineering; David A. Young, v.p.-finance & administration; Fredrick N. Fortier, treasurer; Carolyn Garnaas, secretary.

Directors: William J. Bowers, John C. Martin, John A. Karsten, Harvey Klein, Jerry E. Goldress.

Areas of Work: Designs, manufactures, sells and services handheld source data entry systems, designed for use in the collection of business information.

Subsidiaries:

MSI Data International
I.V.C. Building
10 Portman Road
Reading, Berkshire
RG3 1JR, England

MSI France S.A.R.L.
2/4 Avenue De La Cerisave
Platanes 311
94266 Fresnes Cedey
France

MSI Data International
MSI-DISC, Inc.
340 Fischer Avenue
Costa Mesa, California 92626
(714) 540-6600

MSI Data Corporation

MSI Data GmbH
Horbellerstrasse 10-14
D-5000 Cologne 40
West Germany

MSI Data Italia S R L
Via Cristoforo Colombo, 49
Trezzabo S Naviglio 20090
Milan, Italy

MSI Data International
Rue D Arlon is
1040 Brussels,
Belgium

Transfer Agent(s):

First National Bank of Boston
Shareholder Services Division
P O Box 644
Boston, Massachusetts 02102

Stock Exchange(s): American

Ticker Symbol: MSI

Number of Employees:

1983	852	1980	869
1982	860	1979	869
1981	870		

Plant Footage:

1983	102,410 sq ft	1980	102,400
1982	102,400	1979	102,400
1981	102,400		

Sales and Earnings

	Revenues +	Net Income
1984	$ 61,178,000	$ 4,060,000
1983	58,672,000	3,422,000
1982	55,338,000	4,780,000
1981	55,616,000	3,473,000
1980	45,427,000	2,649,000

	No of Com Shares #	Earn per Share #
1984	2,494,892	$ 1.63
1983	2,479,960	1.38
1982	2,446,137	1.95
1981	2,335,215	1.49
1980	2,279,859	1.16

+ Of continuing operations only
# Based on the weighted average number of common shares and common share equivalents outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.40	—	—
1982	0.40	—	—
1981	0.40	—	—
1980	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 28,782,000	$ 11.54
1983	25,852,000	10.42
1982	23,137,000	9.46
1981	19,162,612	8.21
1980	15,990,821	7.01

† Based on the weighted average number of common shares and common share equivalents outstanding

Income Account *

Year ended	3/31/84	3/26/83
Revenues:		
Net sales	$ 48,034,000	$ 46,226,000
Field serv. & maint support	13,144,000	12,446,000
Total revenues	$ 61,178,000	$ 58,672,000
Cost of revenues	29,426,000	28,672,000
Expenses	25,076,000	24,287,000
Interest income	(196,000)	(452,000)
Income before taxes	$ 6,872,000	$ 6,165,000
Income taxes	2,812,000	2,743,000
Net Income	$ 4,060,000	$ 3,422,000

* Included in Costs and Expenses, Depreciation and Amortization $1,747,000 in 1984 and $1,541,000 in 1983

Assets

As of	3/31/84	3/26/83
Cash	$ 4,809,000	$ 4,034,000
Accts receiv, net	15,763,000	14,622,000
*Inventories	8,699,000	8,041,000
Prepaid expenses	501,000	1,139,000
Current Assets	$ 29,772,000	$ 27,836,000
#Fixed assets	8,159,000	6,042,000
Other assets	354,000	381,000
Total Assets	$ 38,285,000	$ 34,259,000

Liabilities

Accts payable	$ 2,692,000	$ 1,996,000
Accrued payroll	2,196,000	2,192,000
Taxes payable	776,000	506,000
Income taxes	544,000	1,197,000
Deferred revenues	979,000	918,000
Other liabilities	434,000	475,000
Curr liabilities	$ 7,621,000	$ 7,284,000
Oblig under cap leases	634,000	
Mortgage payable	474,000	492,000
Deferred revenues & other liab	774,000	631,000
+ Common stock	2,486,000	2,468,000
Add paid-in capital	6,869,000	6,683,000
Retained earnings	20,563,000	17,494,000
Foreign currency trans	(1,136,000)	(793,000)
Total Liabilities & Shareholders' Equity	$ 38,285,000	$ 34,259,000

* At cost (FIFO) which is not in excess of market
# Less accumulated depreciation and amortization
+ $1.00 par value

Statistical Summary

% Income before Taxes to Revenues	11.23	10.51
% Net Income to Revenues	6.64	5.83
% Net Income to Equity	14.11	13.24
Working Capital	$22,151,000	$20,552,000
Current Ratio	3.91	3.82
Shareholders' Equity	$28,782,000	$25,852,000

MSI Electronics Inc.

34-32 57th Street
Woodside, New York 11377
(212) 672-6500

Officers: A Lederman, president & chairman of the board, Dominick Scaringella, vice president & secretary-treasurer

Directors: T R Bashkow, A Lederman, D Scaringella

Areas of Work: Voltage variable capacitor diodes, semiconductor components and instruments, and test instruments

Transfer Agent(s):

Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MSIE (NASDAQ)

Number of Employees:

1984	26	1982	21
1983	24	1981	20

Plant Footage:

1984	6,200 sq ft	1982	6,200
1983	6,200	1981	6,200

Sales and Earnings

	Net Sales	Net Income
1984	$ 2,344,031	$ 584,127
1983	2,106,650	500,033
1982	2,046,076	489,968
1981	1,488,649	231,733
1980	1,372,379	264,077

	No of Com Shares	Earn per Share
1984	1,408,448	$ 0.41
1983	1,408,448	0.36
1982	1,408,376	0.35
1981	1,283,376	0.18
1980	1,283,376	0.21

Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits

Common Stock*

	Cash Dividend	Stock Dividend	Stock Split
1984			
1983			2 for 1
1982			5 for 4

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,005,614	$ 2.13
1983	2,421,487	1.72
1982	1,921,454	1.36
1981	1,412,736	1.10
1980	1,181,003	0.92

Adjusted to reflect stock splits

Income Account*

Year ended Sept 30	1984	1983
Net sales	$ 2,344,031	$ 2,106,650
Cost of sales	950,571	973,857
Expenses	733,266	650,385
Interest & dividend income	(214,507)	(185,114)
Income before taxes	$ 874,701	$ 667,522
Income taxes	290,574	167,489
Net Income	$ 584,127	$ 500,033

*Included in Costs and Expenses, Depreciation $50,488 in 1984 and $45,375 in 1983

Assets

As of Sept 30	1984	1983
Cash	$ 79,438	$ 92,082
Treasury notes	2,322,679	2,081,524
Accts receiv, net	488,146	405,984
Marketable securities	275,820	78,474
Interest receiv	82,410	23,275
*Inventories	249,169	205,742
Prepaid expenses	4,867	2,628
Current Assets	$ 3,502,529	$ 2,889,709
#Fixed assets	146,544	135,533
Other assets	2,913	2,800
Total assets	$ 3,651,986	$ 3,028,042

Liabilities

Accts payable	$ 604,233	$ 596,895
Income taxes	42,139	9,660
Curr Liabilities	$ 646,372	$ 606,555
+ Common stock	42,254	42,254
Add paid-in capital	418,001	418,001
Retained earnings	2,545,359	1,961,232

Total Liabilities & Shareholders' Equity	$ 3,651,986	$ 3,028,042

* At lower of cost or market
# Less accumulated depreciation
+ $0.03 par value

Statistical Summary

% Income bef. Taxes to Sales	37.12	31.69
% Net Income to Sales	24.92	23.74
% Net Income to Equity	19.43	20.65
Sales to Inventories	9.41	10.24
Working Capital	$2,836,157	$2,283,154
Current Ratio	5.42	4.76
Shareholders' Equity	$3,005,614	$2,421,487

MTS Systems Corporation

14000 Technology Drive
Eden Prairie, Minnesota 55344

Mailing Address

P.O. Box 24012
Minneapolis, Minnesota 55424
(612) 937-4000

Officers: George N. Butzow, chairman & chief exec. officer, Donald M. Sullivan, president & chief operating officer, Marshall L. Carpenter, v.p. & treasurer, George Doering, v.p. - Automation Systems Group, Richard W. Clarke, Milan L. Sebek, v.p.'s, Keith D. Zell, v.p.-prod. group, William T. Dolan, secretary

Directors: Charles A. Brickman, George N. Butzow, Thomas E. Holloran, E. Thomas Binger, Thomas Stelson, Donald M. Sullivan

Areas of Work: Designs, manufactures and markets electronic instruments and software products, also hydraulic devices such as high-technology fluid power systems used in basic scientific research on materials, in the evaluation of new products, for production line quality control and for material forming manufacturing.

Subsidiaries:

MTS Systems GmbH
Potsdamer Str. 23/24
1 Berlin 37
West Berlin

MTS (Japan) Ltd.
4-8-13 Kudan Minami
Chiyoda-Ku, Tokyo T102
Japan

MTS Systems France
MTS Systems (Hong Kong)
MTS Limited (UK)
MTS Testing Systems (Canada) Ltd.
MTS Systems SRL (Italy)

Transfer Agent(s):

Norwest Bank of Minneapolis, N.A.
Minneapolis, Minnesota 55440

Stock Exchange(s): Over-the-Counter

Ticker Symbol: MTSC (NASDAQ)

Number of Employees:

1984	973	1981	851
1983	829	1980	894
1982	883		

Plant Footage:

1984	N.A.	1981	200,000
1983	N.A.	1980	200,000
1982	375,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 74,873,000	$ 3,869,000
1983	67,457,000	2,361,000
1982	65,075,000	1,567,000
1981	64,852,000	4,187,000
1980	67,151,000	4,739,000

	No. of Com. Shares #	Earn. per Share #
1984	2,738,000	$ 1.41
1983	2,669,000	0.88
1982	2,607,000	0.60
1981	2,604,000	1.36
1980	2,584,000	1.83

Based on the weighted average number of shares outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.21	—	3-for-2
1983	0.21	—	—
1982	0.21	—	—
1981	0.21	—	—
1980	0.20	—	—

Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 35,178,000	$ 12.85
1983	31,921,000	11.96
1982	29,803,000	11.43
1981	29,056,000	11.16
1980	25,136,000	9.73

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 74,873,000	$ 67,457,000
Cost of sales	44,858,000	40,949,000
Expenses	21,990,000	21,077,000
Prof. sh. plan	774,000	602,000
Interest expense	219,000	586,000
Other expenses	556,000	305,000
Income before taxes	$ 6,476,000	$ 3,938,000
Income taxes	2,607,000	1,577,000
Net Income	$ 3,869,000	$ 2,361,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,070,000 in 1984 and $1,842,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 2,094,000	$ 1,486,000
Interest bearing invest.	6,285,000	13,297,000
Accts. receiv., net	24,025,000	19,626,000
*Inventories	20,790,000	18,268,000
Prepaid expenses	1,183,000	743,000
Current Assets	$ 54,377,000	$ 53,420,000
#Fixed assets	18,417,000	17,829,000
Other assets	6,099,000	635,000
Total Assets	$ 78,893,000	$ 71,884,000

Liabilities

Notes payable	$ 1,741,000	$ 1,538,000
Long-term debt, curr.	1,972,000	1,162,000
Accts. payable	4,040,000	3,506,000
Accruals	6,066,000	6,124,000
Advance billings	1,513,000	1,395,000
Income taxes	12,968,000	11,048,000
Curr. Liabilities	$ 28,300,000	$ 24,773,000
Other liabilities	450,000	—
Long-term debt	13,017,000	13,506,000
Deferred inc. taxes	1,948,000	1,684,000
+ Common stock	673,000	445,000
Add. paid-in capital	4,116,000	4,078,000
Retained earnings	31,194,000	27,896,000
Cum. trans. adjust.	(805,000)	(381,000)
Treasury stock	—	(117,000)
Total Liabilities & Shareholders' Equity	$ 78,893,000	$ 71,884,000

* At lower of standard cost (FIFO) or market
# Less accumulated depreciation
+ $0.25 par value

Statistical Summary

% Income bef. Taxes to Sales	8.65	5.84
% Net Income to Sales	5.17	3.50
% Net Income to Equity	11.00	7.40
Sales to Inventories	3.60	3.69
Working Capital	$26,077,000	$28,647,000
Current Ratio	1.92	2.16
Shareholders' Equity	$35,178,000	$31,921,000

Mylee Digital Sciences, Inc.

155 Weldon Parkway
Maryland Heights, Missouri 63043
(314) 567-3420

Officers: James R. Moog, chairman of the board & president, Dennis M. Buchheit, v.p. - operations, Carlos R. Quivones, secretary & treasurer

Directors: Harold B. Abrams, Hubert C. Moog, James R. Moog

Areas of Work: Engaged in the design, development, assembly and sale of data storage and retrieval systems for inventory control management, and in the maintenance and service of such systems.

Subsidiaries:

Mylee International, Ltd. (DISC)
Ladue Leasing Company

Transfer Agent(s):

Mercantile Trust Co. (Debentures)
721 Locust Street
St. Louis, Missouri 63101

Mylee Digital Sciences, Inc. (Common stock)
155 Weldon Parkway
Maryland Heights, Missouri 63043

Stock Exchange(s): Over-the-Counter

Plant Footage:

1984	15,600 sq. ft.

Sales and Earnings

	Net Sales +	Net Income
1984	$ 2,681,157	$ (1,041,408)
1983	3,216,940	(750,976)
1982	3,367,717	(545,742)
1981	2,502,916	(828,090)
1980	2,472,700	(346,455)

	No. of Com. Shares †	Earn. per Share †
1984	7,350,188	$ —
1983	4,945,652	—
1982	2,567,661	—
1981	2,561,153	—
1980	1,312,311	—

(Loss)
+ Includes service income
† Based on the weighted average number of common shares and common share equivalents outstanding

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ (1,536,015)	$ —
1983	(499,407)	—
1982	(940,831)	—
1981	(396,049)	—
1980	460,000	0.35

(Deficiency)
† Based on the weighted average number of common shares and common share equivalents outstanding

Income Account *

Year ended Oct. 31		1984		1983
Revenues	$	2,681,157	$	3,216,940
Cost of sales		958,744		1,064,978
Commissions		142,218		326,262
Expenses		2,506,469		2,494,760
Interest expense		101,797		86,552
Other (income)		(13,337)		(4,636)
Net Loss	$	(1,041,408)	$	(750,976)

* Included in Costs and Expenses. Depreciation $52,440 in 1984 and $46,911 in 1983.

Assets

As of Oct. 31		1984		1983
Cash	$	40,793	$	25,708
Accts. receiv., net		120,825		277,761
Contracts receiv.		—		10,538
*Inventories		992,452		825,780
Prepaid expenses		19,930		13,655
Current Assets	$	1,174,000	$	1,153,442
#Fixed assets		198,118		134,124
Other assets		40,192		3,883
Total Assets	$	1,412,310	$	1,291,449

Liabilities

		1984		1983
Notes payable	$	1,360,000	$	375,000
Long-term debt, curr.		12,617		92,714
Accts. payable		260,664		83,410
Commissions payable		9,813		54,206
Accruals		679,387		624,269
Other		225,638		196,883
Curr. Liabilities	$	2,548,119	$	1,426,482
Long-term debt		92,501		58,901
Other liabilities		224,337		224,337
Commit. & contingencies		75,000		75,000
Deferred compensation		8,368		6,136
+ Common stock		1,472,826		1,468,026
Add. paid-in capital		468,246		468,246
Retained earnings (deficit)		(3,465,245)		(2,423,837)
Treasury stock		(11,842)		(11,842)
Total Liabilities & Shareholders' Equity	$	1,412,310	$	1,291,449

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.20 par value.

Napco Security Systems, Inc.

6 DiTomas Court
Copiague, New York 11726
(516) 842-9400

Officers: Richard Soloway, chairman of the board, treasurer & secretary; Kenneth Rosenberg, president; Roy Stockdale, v.p.-engineering; John J. Grein, v.p. & controller.

Directors: Richard Soloway, chairman; Kenneth Rosenberg; Roy Stockdale.

Areas of Work: Manufactures electronic burglar and fire alarms and devices. Products include commercial and residential control panels, telephone dialers, sirens, passive infrared detection systems, and shock processors.

Subsidiaries:

E.E. Electric Components
Raltech Logic, Inc. (80% owned)
Napco Security Systems International, Inc. (DISC)
UMI Manufacturing Corp.

Transfer Agent(s):

Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over the Counter

Ticker Symbol: NSSC (NASDAQ)

Number of Employees:

1984	208	1981	133
1983	N.A.	1980	133
1982	N.A.		

Plant Footage:

1984	43,700 sq. ft.	1981	28,500 sq. ft.
1983	N.A.	1980	28,500
1982	N.A.		

N.A.-Not Available

Sales and Earnings

		Net Sales		Net Income
1984	$	14,207,054	$	1,649,173
1983		9,264,112		625,613
1982		8,468,359		606,858
1981		9,302,814		1,003,347
1980		7,684,257		209,964

	No. of Com. Shares	Earn. per Share #
1984	1,926,337	$ 0.85
1983	1,925,887	0.32
1982	1,924,527	0.31
1981	1,253,220	0.52
1980	304,600	0.11

#Based on the average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	50%	—
1981	—	100% & 100%	—

Common Stock Equity

		Total Equity	Equity Per Share‡
1984	$	5,251,944	$ 2.73
1983		3,601,138	1.87
1982		2,974,594	1.53
1981		2,345,801	1.20
1980		1,317,449	0.67

‡Adjusted to reflect stock dividends.

Income Account *

Year ended June 30		1984		1983
Net sales	$	14,207,054	$	9,264,112
Cost of sales		8,721,407		6,066,121
Expenses		2,816,323		2,186,296
Interest income		(90,868)		(39,554)
Interest expense		7,088		41,936
Other income		(22,922)		(17,334)
Income before taxes	$	2,776,026	$	1,026,647
Income taxes		1,131,443		401,594
Minority interest		(4,590)		(560)
Net Income	$	1,649,173	$	625,613

*Included in Costs and Expenses. Depreciation and Amortization: $108,975 in 1984 and $90,938 in 1983.

Assets

As of June 30		1984		1983
Cash	$	1,091,363	$	1,191,158
Accts. receiv., net		1,857,568		1,523,313
*Inventories		2,840,533		1,865,947
Prepaid expenses		95,070		59,025
Current Assets	$	5,884,534	$	4,639,443
#Fixed assets		801,675		351,755
Other assets		149,819		42,837
Total Assets	$	6,836,028	$	5,034,035

Liabilities

		1984		1983
Long-term debt, curr.	$	4,152	$	27,803
Accts. payable		863,005		857,417
Accrued payroll		367,404		173,882
Income taxes		177,970		152,500
Other accruals		55,075		86,585
Deferred inc. taxes		—		10,374
Curr. Liabilities	$	1,467,606	$	1,308,561
Long-term debt		8,510		27,295
Capital lease obligation		—		14,671
Deferred inc. taxes		107,968		56,518
Minority interest		—		25,852
+ Common stock		26,058		26,054
Add. paid-in capital		668,472		666,843
Retained earnings		4,558,547		2,909,374
Treasury stock		(1,133)		(1,133)
Total Liabilities & Shareholders' Equity	$	6,836,028	$	5,034,035

*At lower of cost (LIFO) or market; subsidiaries at FIFO.
#Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

% Income bef. Taxes to Sales	19.54	11.08
% Net Income to Sales	11.61	6.75
% Net Income to Equity	31.40	17.37
Sales to Inventories	5.00	4.96
Working Capital	$4,416,928	$3,330,882
Current Ratio	4.01	3.55
Shareholders' Equity	$5,251,944	$3,601,138

National Computer Systems, Inc.

11000 Prairie Lakes Drive
Eden Prairie, Minnesota 55344
(612) 830-7600

Officers: Charles W. Oswald, chairman of the board & chief executive officer; David C. Malmberg, president & chief operating officer; Michael G. Burnett, v.p. & chief financial officer; John W. Fenton, Jr., v.p. & secretary-treasurer; David A. Heit, v.p. & controller; William F. Roberts, v.p.-corporate administration; Eugene W. Courtney, group v.p.-Scanning Products; James D. Landes, group v.p.-Forms & Support; Peter B. Crawford, group v.p.-Systems; Donald J. Gibson, group v.p.-Information Services; Linda L. Hoeschler, group v.p.-Professional Assessment Services.

Directors: Charles W. Oswald*, chairman; David C. Malmberg*, David P. Campbell, Edward C. Lund, Otto W. Quale, Arthur E. Weisberg*, Robert F. Zicarelli*, David C. Cox.

* Member of the Executive Committee.

Areas of Work: The Company's business is comprised of two segments: the production and marketing of optical mark reading systems, input documents, materials and test scoring services, and the production and marketing of data processing systems and services for bank trust departments and medical institutions.

Transfer Agent(s):

Norwest Bank, Minneapolis N.A.
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NLCS (NASDAQ)

Number of Employees:

1984	1,333	1981	767
1983	788	1980	647
1982	745		

Sales and Earnings ×

	Net Sales +	Net Income
1984	$ 81,570,000	$ 7,284,000
1983	59,780,000	3,859,000
1982	50,332,000	2,682,000
1981	42,729,000	3,911,000
1980	34,950,000	3,668,000

	No. of Com. Shares #	Earn. per Share #
1984	6,619,000	$ 1.10
1983	6,167,000	0.63
1982	6,153,000	0.44
1981	6,135,000	0.64
1980	5,697,000	0.64

× Restated to include operations of Compu-Psych, Inc., acquired on a pooling of interests basis.
+ Includes rentals & maintenance.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Scanning prods. & serv.	$ 62,775	$ 45,542
Systems prods. & serv.	18,795	14,238
Total	$ 81,570	$ 59,780

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.19	—	3-for-2
1983	0.16	—	—
1982	0.16	—	—
1981	0.13	—	5-for-4
1980	0.11	—	5-for-4

† Adjusted to reflect stock splits.

Common Stock Equity ×

	Total Equity	Equity Per Share †
1984	$ 41,216,000	$ 6.06
1983	26,404,000	4.31
1982	23,163,000	3.87
1981	20,814,000	3.54
1980	16,933,000	3.03

× Restated.
† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Jan. 31	1984	1983 ×
Net sales	$ 59,584	$ 41,294
Rental & maintenance	21,986	18,486
Total	$ 81,570	$ 59,780
Other income	1,060	331
Total income	$ 82,630	$ 60,111
Cost of sales	37,741	27,105
Cost of rentals & maint.	11,751	9,724
Expenses	18,886	13,635
Interest expense	1,478	1,606
Equity investment	—	822
Income before taxes	$ 12,774	$ 7,219
Income taxes	5,490	3,360
Net Income	$ 7,284	$ 3,859

* Included in Costs and Expenses, Depreciation: $5,578,000 in 1984 and $4,449,000 in 1983.
× Restated.

Assets
(000's)

As of Jan. 31	1984	1983 ×
Cash	$ 378	$ 258
Short-term invest.	4,856	3,670
Receivables, net	20,613	12,318
*Inventories	13,030	9,448
Prepaid expenses	2,060	392
Current Assets	$ 40,937	$ 26,086
#Equipment leased to others	9,692	8,93[illegible]
#Fixed assets	23,467	10,167
Other assets	9,332	6,506
Total Assets	$ 83,428	$ 51,697

Liabilities
(000's)

Long-term debt, curr.	$ 3,444	$ 80
Accts. payable	5,596	2,989
Accruals	8,756	3,275
Deferred income	2,307	1,780
Income taxes	1,396	2,315
Curr. Liabilities	$ 21,499	$ 10,439
Long-term debt	8,308	2,841
Convert. subord. debent.	9,999	10,000
Deferred inc. taxes	2,406	2,013
+ Common stock	204	183
Add. paid-in capital	17,508	8,762
Retained earnings	23,504	17,459
Total Liabilities & Shareholders' Equity	$ 83,428	$ 51,697

× Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.03 par value.

Statistical Summary

%Income bef. Taxes to Total Income	15.46	12.01
%Net Income to Total Income	8.82	6.42
%Net Income to Equity	17.67	14.62
Working Capital	$19,438,000	$15,647,000
Current Ratio	1.90	2.50
Shareholders' Equity	$41,216,000	$26,404,000

National Micronetics, Inc.

5600 Kearny Mesa Road
San Diego, California 92111
(714) 279-7500

Officers: Ned W. Buoymaster, chairman of the board & chief executive officer; Gregorio Reyes, president & chief operating officer; Harry W. Bubnack, Peter L. Fleischner, Tugrul Yasar, Thomas Maher, John H. Moyer, Jan V. Peer, vice presidents; Richard A. Hudzik, v.p.-finance & treasurer; Patrick A. Rivelli, v.p. & secretary.

Directors: Ned W. Buoymaster, chairman of the board; Charles J. Lawson, Jr., Patrick R. Liles, H. DuBose Montgomery, Jr., George O. Pfaff, Gregorio Reyes, James M. MacGuire.

Areas of Work: Engaged in the manufacture and engineering of ferrites, advanced recording heads, head assemblies, advanced components for hybrid integrated circuits and subminiature resistor chips.

Divisions:

Semi-Films Division
Micronetics Division
Advanced Materials Division

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NMIC (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1983	$ 44,534,000	$ 2,755,000
1982	41,827,000	3,379,000
1981	23,696,000	568,000
1980	19,824,000	(226,000)
1979	19,657,000	2,265,468

	No. of Com. Shares #	Earn. per Share #
1983	6,773,000	$ 0.41
1982	5,128,000	0.67
1981	4,286,000	0.13
1980	3,980,000	—
1979	3,724,000	0.61

(Loss)
Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1983	1982
Recording head prods.	$ 40,229	$ 37,055
Microelectronic components	4,305	4,772
Total	$ 44,534	$ 41,827

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	3-for-2
1982	—	—	7-for-5

Common Stock Equity

	Total Equity	Equity Per Share‡
1983	$ 32,304,000	$ 4.90
1982	28,823,000	4.45
1981	8,003,358	1.96
1980	7,232,174	1.80
1979	7,303,138	1.85

‡ Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1983	1982
Net sales	$ 44,534,000	$ 41,827,000
Cost of sales	34,725,000	29,018,000
Research, develop. & engin.	3,030,000	2,209,000
Expenses	4,571,000	4,655,000
Interest expense (income)	(1,026,000)	399,000
Income before taxes	$ 3,234,000	$ 5,546,000
Income taxes	479,000	2,167,000
Net Income	$ 2,755,000	$ 3,379,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,682,000 in 1983 and $1,139,000 in 1982.

Assets

As of June 30	1983	1982
Cash	$ 3,314,000	$ 13,169,000
Accts. receiv., net	10,457,000	6,547,000
*Inventories	12,075,000	9,503,000
Refund. inc. taxes	1,483,000	—
Accrued int. recv.	85,000	443,000
Deferred inc. taxes	624,000	320,000
Other current assets	—	—
Current Assets	$ 28,038,000	$ 29,982,000
#Fixed assets	13,773,000	7,792,000
Other assets	3,699,000	331,000
Total Assets	$ 45,510,000	$ 38,105,000

Liabilities

Long-term debt, curr.	$ 152,000	$ 128,000
Accts. payable	4,080,000	3,607,000
Accruals	2,394,000	3,168,000
Inc. taxes payable	—	534,000
Curr. Liabilities	$ 6,626,000	$ 7,437,000
Long-term debt	5,358,000	1,329,000

National Micronetics, Inc.

Deferred inc. taxes	1,222,000	516,000
+ Common stock	660,000	648,000
Add. paid-in capital	23,101,000	22,155,000
Retained earnings	8,775,000	6,020,000
Loss on market eq. securities	(232,000)	—
Total Liabilities & Shareholders' Equity	$ 45,510,000	$ 38,105,000

* At lower of standard cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.26	13.26
%Net Income to Sales	6.19	8.08
%Net Income to Equity	8.53	11.72
Sales to Inventories	3.69	4.40
Working Capital	$21,412,000	$22,545,000
Current Ratio	4.23	4.03
Shareholders' Equity	$32,304,000	$28,823,000

National Semiconductor Corporation

2900 Semiconductor Drive
Santa Clara, California 95051
(408) 721-5000

Officers: Charles E. Sporck, president & chief exec. officer; David N. Martin, v.p. & president-National Advanced Systems; F. Joseph Van Poppelen, v.p.-semiconductor marketing; Gregory Harrison, v.p.-corporate services; Johnny M. Humphreys, v.p. & president DATA CHECKER/DTS Corp.; Clements E. Pausa, v.p.-international manufacturing; James M. Smaha, v.p.-semiconductor division; Gary Arnold, v.p.-finance & chief financial officer; Patrick B. Brennan, treasurer; J. Philip Russell, v.p. & controller; John G. Webb, v.p.-general counsel & secretary; H. Gene McCown, asst. treasurer.

Directors: Peter J. Sprague, chairman; Donald E. Weeden, Charles E. Sporck, Robert Beshar, Harry H. Wetzel, Neil Goldschmidt.

Areas of Work: Engaged in the manufacture of monolithic integrated circuits, transistors, semiconductor devices and hybrid integrated circuits which are used in amplifying, switching, gating, commutating elements in telemetry, data processing and multiplexing, also high reliability testing, calculators, electronic watches, watch and clock modules, and POS electronic check-out systems.

Divisions and Subsidiaries:

National Advanced Systems
800 East Middlefield Road
Mountain View, California 94042
(415) 962-6000

National Semiconductor
DATACHECKER/DTS Corporation
800 Central Expressway
P.O. Box 58112
Santa Clara, California 95052
(408) 982-3000

National Semiconductor
DATACHECKER/DTS Corporation
124 Acton Street
Maynard, Massachusetts 01754
(617) 897-3221

National Semiconductor GmbH
Industriestrasse 10
D-8080 Furstenfeldbruck
West Germany

National Advanced Systems
John Busch House
277 London Road
Isleworth
Middlesex, TW7 5AX
England

National Semiconductor Pte., Ltd.
51 Goldhill Plaza
Newton Road
Singapore 1130

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Pacific

Ticker Symbol: NSM

Sales and Earnings

	Net Sales +	Net Income †
1984	$1,655,126,000	$ 63,960,000
1983	1,210,499,000	(14,176,000)
1982	1,104,095,000	(10,694,000)
1981	1,110,053,000	52,426,000
1980	910,113,000	45,043,000

	No. of Com. Shares #	Earn. per Share #†
1984	85,325,000	$ 0.75
1983	70,608,000	—
1982	68,607,000	—
1981	66,258,000	0.79
1980	60,924,000	0.74

( ) Loss.
+ Of continuing operations only.
† Including extraordinary credit of $7,755,000 ($0.09 per share) in 1984.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	3-for-1
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 619,029,000	$ 7.12
1983	335,679,000	4.68
1982	336,607,000	4.83
1981	333,357,000	4.94
1980	197,047,000	3.26

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended May 31	1984	1983
Net sales	$ 1,655,126	$ 1,210,499
Cost of sales	1,146,299	928,349
Expenses	406,111	281,896
Plant closing costs	—	9,000
Interest expense	1,280	14,118
Inc. (loss) bef. taxes	$ 101,436	$ (22,864)
Income taxes (credit)	45,231	(8,688)
Net Income (Loss)	$ 56,205	$ (14,176)

* Included in Costs and Expenses, Depreciation and Amortization: $115,142,000 in 1984 and $102,162,000 in 1983.

Assets
(000's)

As of May 31	1984	1983
Cash	$ 27,788	$ 6,981
Receiv., net	264,430	190,982
*Inventories	223,085	173,990
Prepaid expenses	18,262	15,890
Fut. inc. tax ben.	66,033	51,278
Current Assets	$ 599,598	$ 439,121
#Fixed assets	510,334	353,381
Goodwill	33,847	31,816
Other assets	12,258	22,969
Total Assets	$ 1,156,037	$ 847,287

Liabilities
(000's)

Loans payable	$ 7,565	$ 13,620
Accts. payable	160,565	87,719
Accruals	126,871	108,231
Income taxes	14,576	6,784
Def. inc. on shipments	84,872	55,370
Other liabilities	9,776	10,795
Curr. Liabilities	$ 404,225	$ 282,519
Long-term debt	24,249	148,962
Other liabilities	13,916	18,783
Deferred inc. taxes	94,618	61,344
+ Common stock	43,494	11,966
Add. paid-in capital	332,934	145,072
Retained earnings	242,601	178,641
Total Liabilities & Shareholders' Equity	$ 1,156,037	$ 847,287

* At lower of standard cost (which approximates actual cost) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income before Taxes to Sales	6.13	—
%Net Income to Sales	3.40	—
%Net Income to Equity	9.08	—
Sales to Inventories	7.42	6.96
Working Capital	$195,373,000	$156,602,000
Current Ratio	1.48	1.55
Shareholders' Equity	$619,029,000	$335,679,000

NBI, Inc.

P.O. Box 9001
3450 Mitchell Lane
Boulder, Colorado 80301
(303) 444-5710

Officers: Thomas S. Kavanagh, president; Jesse A. Simmons, v.p. & treasurer; Mark J. Stevenson, exec. v.p. & secretary; David Klein, exec. v.p.; Charles L. Dumas, Gordon H. Gagnon, John C. Meyers, Robert K. Reid, John L. Melanson, A. Herschel Kranitz, vice presidents.

Directors: David A. R. Dullum, William R. Hambrecht, Thomas S. Kavanagh, Howard W. Selby, III, Richard Hodgson, Robert M. Collins, Mark J. Stevenson.

Areas of Work: Designs, manufactures and markets software-based office automation systems used in information and word processing and for communications within the office.

Divisions:

NBI Technical Products Division

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NBI (NASDAQ)

Number of Employees:

1984	2,052	1981	635
1983	1,846	1980	372
1982	1,096		

Plant Footage:

1984	N.A.	1983	390,000 sq. ft.

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 141,764,000	$ 13,776,000
1983	96,780,000	4,590,000
1982	80,520,000	10,986,000
1981	46,050,000	7,158,000
1980	26,235,000	3,205,000

	No. of Com. Shares#	Earn. per Share#
1984	9,869,000	$ 1.40
1983	10,171,000	0.45
1982	9,341,000	1.18
1981	8,854,000	0.81
1980	6,883,000	0.47

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-1

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 82,219,000	$ 9.02
1983	86,432,000	8.65
1982	78,676,000	7.98
1981	45,505,000	5.08
1980	16,942,000	2.20

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 141,764	$ 96,780
Rental & serv.	35,287	24,157
Total income	$ 177,051	$ 120,937
Cost of sales	80,107	54,790
Expenses	72,167	61,207
Inc. from invest.	(2,489)	(3,298)
Interest expense	4,305	2,553
Income before taxes	$ 22,961	$ 5,685
Income taxes	9,185	1,095
Net Income	$ 13,776	$ 4,590

* Included in Costs and Expenses, Depreciation: $12,790,000 in 1984 and $8,997,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash & cash equiv.	$ 26,921	$ 21,361
Receivables	44,298	38,341
Marketable securities	8,001	10,918
*Inventories	25,772	33,335
Other curr. assets	1,512	1,074
Current Assets	$ 106,504	$ 105,029
Installment receiv.	9,151	6,279
#Rental equip.	3,808	5,323
‡Field spare parts	10,025	6,437
#Fixed assets	34,539	31,694
Deferred comm.	3,032	5,304
Total Assets	$ 167,059	$ 160,066

Liabilities
(000's)

	1984	1983
Notes payable	$ 6,098	$ 2,493
Accts. payable	10,137	12,921
Accruals	8,734	6,956
Accrued inc. taxes	6,703	353
Deferred inc. taxes	3,609	3,429
Curr. Liabilities	$ 35,281	$ 26,152
Long-term debt	44,215	44,554
Deferred inc. taxes	5,344	2,928
+ Common stock	1,013	1,001
Add. paid-in capital	63,125	60,054
Retained earnings	39,729	25,953
Curr. trans. adj.	(397)	(112)
Treasury Stock	(21,251)	(464)
Total Liabilities & Shareholders' Equity	$ 167,059	$ 160,066

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.20	5.87
%Net Income to Sales	9.72	4.74
%Net Income to Equity	16.76	5.31
Sales to Inventories	5.50	2.90
Working Capital	$71,223,000	$78,877,000
Current Ratio	3.02	4.02
Shareholders' Equity	$82,219,000	$86,432,000

NCR Corporation

1700 South Patterson Boulevard
Dayton, Ohio 45479
(513) 445-5000

Officers: William S. Anderson, chairman of the board; C.E. Exley, Jr., president & chief executive officer; Donald J. Herman, William F. Buster, Manuel Garcia, exec. v.p.'s; D.L. McIntosh, sr. v.p.-finance & administration; V.F. Bean, v.p.-customer services; R.C. James, v.p.-Office Systems; D.G. Laws, v.p. & president-Applied Digital Data Systems; Tom T. Tang, v.p.-research & development; J.E. Rambo, v.p., secretary & general counsel; D.W. Russler, v.p. & controller; B.L. Shafer, v.p.-personnel resources; Norman A. Cocke, treasurer; P.W. Lappetito, sr. v.p., United States Data Processing Group; D.J. McCarthy, v.p., Retail Systems Division; A.J.R. Oosthuizen, v.p., Commercial-Industrial/Medical-Education-Government Systems Division; R.B. Reese, v.p., Customer Service Division; Stephen N. Bowen, v.p.-communications; V.W. Yates, v.p.-EFT Systems & Services; G. Bassani, v.p.-Latin America; H.M. Schene, v.p.-Europe; R.E. White, v.p.-Middle East/Africa; G.P. Williamson, v.p.-Pacific; D.L. Clark, v.p.-Financial Systems Division; D.E. Coleman, v.p.-Data Entry Systems Division; C.N. Jorgensen, v.p.-manufacturing; Rex M. Fleet, v.p.-Financial Systems Division; William J. Gotschall, v.p. & president-NCR Comten, Inc.; R.K. Kruse, v.p.-Retail Systems Division; H.J. Lynch, v.p.-General Purpose Systems Division; J.H. Van Tassel, v.p.-Microelectronics Division.

Directors: William S. Anderson*, chairman of the board; C.A. Anderson*, W.G. Bowen, G.A. Costanzo, C.E. Exley, Jr.*, C.H. Hardesty, Jr.*, H. Holiday, Jr.*, J.J. Horan, Nicholas F. Brady, C.S. Morawetz, J.E. Rambo, E.J. Schlegel, R.L. Terrell.

* Member of Executive Committee.

Areas of Work: Develops, manufactures, markets, installs and services total business information processing systems for selected worldwide markets. These markets are primarily in the retail, financial, commercial, industrial, healthcare, education, and government sectors. Computers range from small business systems to powerful general-purpose processors, and are supported by a spectrum of terminals, peripherals, data communications networks and an extensive library of software products. Supplemental services and products include field engineering, data centers, systems services, educational centers, and a line of business forms and supplies. Also manufactures components, including semiconductor products and component subassemblies, which are marketed to other manufacturers.

Divisions and Subsidiaries:

Data Processing Group
Direct Marketing and Customer Support

NCR markets its products through 1,200 offices in more than 120 countries. It operates 87 facilities worldwide for the development and manufacture of products and systems. Operates 48 Data Centers worldwide. Products and systems are marketed through 831 districts in the United States and, internationally, through 72 company-owned organizations and 21 authorized distributors.

The Systemedia Group

Business Forms and Supplies Division

Business forms and supplies are manufactured in 9 U.S. plants and 48 overseas facilities, and are sold to both NCR and non-NCR equipment users.

The Micrographic Systems Division
Mountain View, California

Manufactures and markets a complete line of Computer Output Microfiche recorders, duplicators, and readers, and is a supplier of COM equipment.

Direct Marketing Division

Provides catalog sales of business forms and supplies for smaller users.

Source Document Services Division
Kettering, Ohio

Markets conventional microfiche and ultrafiche processing systems and related equipment for publishers, printers, and libraries.

NCR Comten, Inc.
St. Paul, Minnesota

Produces, markets, and services programmable communications processors, proprietary communications software, and computer performance measurement systems.

Office Systems Division
Dayton, Ohio

Develops and markets word processing workstations and associated peripherals and software.

Independent Marketing Organization

Responsible for new markets not covered by the traditional direct sales organization. Markets NCR computers, terminals and subsystems to independent software houses, system integrators, distributors, dealers and manufacturers of information processing equipment.

Development and Production Group

Consists of 5 divisions: Retail Systems, General Purpose Systems, CI/MEG Systems, Financial Systems and Microelectronics. Comprises 24 operating units in 9 countries.

Applied Digital Data Systems, Inc.
Hauppauge, New York

Manufactures and markets a line of general-purpose computer video display terminals and small business computers.

NCR Telecommunication Services, Inc.

Offers a range of cost-effective communication services to the company, its customers, and general public.

Transfer Agent(s):

AmeriTrust Co.
Corporate Trust Division
P.O. Box 6477
Cleveland, Ohio 44101

Stock Exchange(s): New York, London, Main Swiss Exchanges.

Number of Employees:

1983	62,000	1980	68,000
1982	63,000	1979	67,000
1981	65,000		

Sales and Earnings

	Net Sales ‡ + (000's)	Net Income (000's)
1983	$ 3,730,951	$ 287,665
1982	3,526,217	234,411
1981	3,432,701	208,234
1980	3,322,370	254,686
1979	3,002,640	234,602

	No. of Com. Shares	Earn. per Share
1983	26,429,280	$ 10.55
1982	26,743,768	8.75
1981	26,609,301	7.72
1980	26,644,369	9.51
1979	26,214,605	8.78

‡ Includes income from sales, services and equipment rental.
+ Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$2.60	—	—
1982	2.40	—	—
1981	2.20	—	—
1980	2.00	—	—
1979	1.60	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1983	$2,044,841,000	$ 77.37
1982	1,936,517,000	72.41
1981	1,853,261,000	69.65
1980	1,704,386,000	63.97
1979	1,476,186,000	56.32

‡ After allowing for preferred stock at par value.

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 2,245,867	$ 2,112,099
Rentals and services	1,485,084	1,414,118
Revenues	$ 3,730,951	$ 3,526,217
Cost of sales	1,856,169	1,782,463
Expenses	1,397,545	1,349,298
Other income	(91,717)	(86,971)
Interest expense	45,889	51,616
Income before taxes	$ 523,065	$ 429,811
Income taxes	235,400	195,400
Net Income	$ 287,665	$ 234,411

* Included in Costs and Expenses, Depreciation: $245,810,000 in 1983 and $239,497,000 in 1982.

Assets
(000's)

As of Dec. 31	1983	1982
Cash & investments	$ 516,941	$ 411,924
Receiv., net	910,690	934,841
Other current assets	44,567	70,184
*Inventories	721,575	694,140
Current Assets	$ 2,193,773	$ 2,111,089
#Rental equip.	254,731	277,525
#Fixed assets	591,923	574,869
Goodwill	124,940	126,973
Invest. & other assets	394,935	282,590
Total Assets	$ 3,560,302	$ 3,373,046

Liabilities
(000's)

	1983	1982
Short-term borrowings	$ 57,670	$ 78,047
Accts. payable	140,402	117,904
Accrued payroll	129,114	116,782
Accrued taxes	202,721	149,654
Deposits & prepayments	257,049	251,716
Other liab.	260,901	252,349
Curr. Liabilities	$ 1,047,857	$ 966,452
Long-term debt	325,298	341,298
Int'l emp. pension & reserves	67,635	66,999
Minority interest	74,639	61,722
+ Preferred stock	32	58
+ + Common stock	424,366	415,232
Retained earnings	1,841,630	1,623,889
For. curr. transl.	(121,655)	(93,393)
Treasury stock	(99,500)	(9,211)
Total Liabilities & Shareholders' Equity	$ 3,560,302	$ 3,373,046

* At lower of cost (FIFO) or market.
#Less accumulated depreciation.
+ $5 par value; $1.25 cumulative convertible.
+ + $5 par value.

Statistical Summary

	1983	1982
%Income bef. Taxes to Revenues	14.02	12.19
%Net Income to Revenues	7.71	6.65
%Net Income to Equity	14.07	12.10
Working Capital	$1,145,916,000	$1,144,637,000
Current Ratio	2.09	$2.18
Shareholders' Equity	$2,044,873,000	$1,936,575,000

Network Systems Corporation

7600 Boone Avenue North
Minneapolis, Minnesota 55428
(612) 425-2202

Officers: James E. Thornton, chairman of the board & chief executive officer; Lyle D. Altman, president & chief operating officer; Gary S. Christensen, v.p.-development; Mahlon L. Moore, v.p.-marketing; Gerald R. Olson, v.p.-engineering & manufacturing; Richard A. Fisher, v.p.-finance & treasurer; Malcolm Reid, general counsel & secretary; Harold W. Durrett, v.p.-information systems.

Directors: James E. Thornton, chairman; Lyle D. Altman, Donald W. Feddersen, Eugene F. Barth, Daniel J. Haggerty, Thomas G. Herschbach, Jess R. Marzak, James G. Miles, William A. Hodder.

Areas of Work: The company designs, manufactures, markets and services high-performance data communications systems composed of HYPERchannel and HYPERbus adapters and NETEX software which together create very highspeed computer and terminal networks.

Divisions:

Engineering & Manufacturing Division
Marketing Division
General & Administrative Division
Information Systems Divisions

All at:
7600 Boone Avenue North
Minneapolis, Minnesota 55428

Transfer Agent(s):

Norwest Bank Minneapolis, N.A.
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NSCO (NASDAQ)

Number of Employees:

1984	675	1981	236
1983	462	1980	198
1982	344		

Plant Footage:

1984	92,000 sq. ft.	1982	59,000
1983	76,000	1981	42,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 71,179,000	$ 15,621,000
1983	47,030,000	10,030,000
1982	28,399,000	5,566,000
1981	18,404,000	3,542,000
1980	12,811,000	1,894,000

	No. of Com. Shares #	Earn. per Share † #
1984	22,315,000	$ 0.70
1983	21,925,000	0.46
1982	19,876,000	0.28
1981	19,640,000	0.18
1980	15,498,000	0.12

† Including extraordinary gain of $410,000 ($0.02 per share) in 1980.
# Based on the weighted average number of common shares and dilutive common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share#
1984	$ 103,646,000	$ 4.64
1983	85,900,000	3.95
1982	37,748,000	3.80
1981	28,479,000	2.90
1980	22,582,000	2.91

# Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 71,179	$ 47,030
Other income	6,013	5,859
Total income	$ 77,192	$ 52,889
Cost of sales	18,654	14,453
Expenses	31,062	21,062
Interest expense	70	69
Income bef. taxes	$ 27,406	$ 17,305
Income taxes	11,785	7,275
Net Income	$ 15,621	$ 10,030

* Included in Costs and Expenses, Depreciation: $1,467,000 in 1984 and $1,032,000 in 1983.

Assets
(000's)

As at Dec. 31	1984	1983
Cash & cash equiv.	$ 52,992	$ 59,251
Accts. receiv., net	38,328	22,451
Notes receiv. from off.	1,046	498
*Inventories	15,509	6,816
Prepaid expenses	906	300
Deferred inc. taxes	1,135	610
Current Assets	$ 109,916	$ 89,926
#Fixed assets	6,695	3,049
Other assets	2,842	3,679
Total Assets	$ 119,453	$ 96,654

Liabilities
(000's)

	1984	1983
Notes payable	$ 630	$ —
Cap. lease oblig., curr.	66	105
Accts. payable	4,066	1,980
Accruals	6,017	5,506
Income taxes	4,078	2,363
Current Liabilities	$ 14,857	$ 9,954
Cap. lease oblig.	—	60
Deferred inc. taxes	950	740
+ Common stock	437	434
Add. paid-in capital	69,917	67,369
Retained earnings	34,191	18,570
Foreign curr. translation adjust.	(737)	(311)
Treasury stock	(162)	(162)
Total Liabilities & Shareholders' Equity	$ 119,453	$ 96,654

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.02 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	38.50	36.80
%Net Income to Sales	21.95	21.33
%Net Income to Equity	15.07	11.68
Sales to Inventories	4.59	6.90
Working Capital	$ 95,059,000	$79,972,000
Current Ratio	7.40	9.03
Shareholders' Equity	$103,646,000	$85,900,000

Networks Electronic Corp.

9750 De Soto Avenue
Chatsworth, California 91311
(818) 341-0440

Officers: Mihai D. Patrichi, chairman of the board, president, treasurer & chief executive officer; Robert G. Bitters, v.p.-Ordnance Division; Edwin J. Turner, v.p. & gen. mgr.-U.S. Bearing Division; Herman J. Landholt, v.p.-manufacturing and operations-Bearing Division; Majed Hariri-Vigeh, asst. v.p.-U.S. Bearing Div.; Robert Peemock, asst. v.p.-Ordnance Division.

Directors: Mihai D. Patrichi, Raymond Klein, Kenneth S. Yamamoto.

Areas of Work: Produced and marketed are spherical bearings used in the aircraft industry, and thermal relay switches, glass-to-metal seals and miniaturized electro-pyro technical devices used in the missile and space industry.

Transfer Agent(s):

First Interstate Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NWRK (NASDAQ)

Number of Employees:

1984	117	1981	125
1983	135	1980	140
1982	100		

Plant Footage:

1984	85,000 sq. ft.	1981	85,000
1983	85,000	1980	85,000
1982	85,000		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 4,645,573	$ (878,313)
1983	5,234,889	32,889
1982	4,819,397	(347,297)
1981	7,332,014	857,808
1980	5,605,883	438,891

	No. of Com. Shares +	Earn. per Share #
1984	2,331,372	$ —
1983	2,340,872	0.01
1982	2,327,272	—
1981	2,328,072	0.40
1980	2,108,072	0.21

(Loss)
+ Adjusted to reflect stock split.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 3,224,181	$ 1.38
1983	4,137,397	1.77
1982	4,019,508	1.73
1981	4,375,605	1.88
1980	2,179,047	1.03

+ Adjusted to reflect stock split.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 4,645,573	$ 5,234,889
Cost of sales	4,730,320	4,268,687
Expenses	989,396	894,486
Interest expense	257,391	124,824
Loss before taxes	$ (1,331,534)	$ (53,108)
Tax credit	(453,221)	(85,997)
Net Income (Loss)	$ (878,313)	$ 32,889

* Included in Costs and Expenses, Depreciation and Amortization: $345,915 in 1984 and $266,931 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 340,196	$ 734,497
Accts. receiv., net	581,832	486,090
*Inventories	2,098,905	1,826,740
Prepaid expenses	37,188	126,499
Refund. inc. taxes	321,900	130,037
Deferred inc. taxes	91,693	648,428
Current Assets	$ 3,471,714	$ 3,952,291
Investments	43,659	41,104
#Fixed assets	2,913,518	2,684,252
Total Assets	$ 6,428,891	$ 6,677,647

Liabilities

	1984	1983
Notes payable	$ 1,750,000	$ 600,000
Long-term debt, curr.	16,028	29,730
Accts. payable	267,327	730,034
Accruals	317,276	181,956
Curr. Liabilities	$ 2,350,631	$ 1,541,720
Long-term debt	854,679	874,386
Deferred inc. taxes	—	124,144
+ Common stock	630,999	633,374
Add. paid-in capital	2,528,387	2,560,915
Retained earnings	64,795	943,108
Total Liabilities & Shareholders' Equity	$ 6,428,891	$ 6,677,647

* At lower of cost (moving average) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

	1984	1983
%Net Income to Sales	—	0.63
%Net Income to Equity	—	0.79
Sales to Inventories	2.21	2.87
Working Capital	$1,121,083	$2,410,571
Current Ratio	1.48	2.56
Shareholders' Equity	$3,224,181	$4,137,397

New Brunswick Scientific Co., Inc.

P.O. Box 986
44 Talmadge Road
Edison, New Jersey 08818

Officers: David Freedman, president; Sigmund Freedman, secretary & treasurer; Myron Tannenbaum, v.p.-operations; Ezra Weisman, v.p.-sales.

Directors: David Freedman, Sigmund Freedman, Julius Berger, Kiyoshi Masuda, Martin Siegel, Ezra Weisman, Marvin Weinstein, Ernest Gross.

Areas of Work: Manufactures a range of research apparatus and instrumentation for the growth, measurement and control of biochemical processes in the life sciences. Also manufactures controlled environment incubation equipment in a variety of models; biological shakers; research fermentors; tissue culture apparatus and bacterial detection equipment; metering pumps, and distributes centrifugation processing equipment.

Subsidiaries:

New Brunswick Tool & Die Co., Inc.
New Brunswick Scientific Sales Co.
New Brunswick Scientific International, Inc.
New Brunswick Scientific (U.K.) Limited

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NBSC (NASDAQ)

Number of Employees:

1984	N.A.	1983	394

Plant Footage:

1984	N.A.	1983	243,000 sq. ft.

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 23,524,000	$ 1,600,000
1983	18,425,000	662,000
1982	20,077,000	1,544,000
1981	16,380,538	851,540
1980	16,524,822	650,248

	No. of Com. Shares †	Earn. per Share #
1984	3,701,728	$ 0.43
1983	3,796,728	0.19
1982	2,906,728	0.53
1981	2,905,728	0.31
1980	2,265,428	0.29

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.
† Adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 28,910,000	$ 7.81
1983	28,567,000	7.52
1982	14,960,000	5.15
1981	13,404,023	4.61
1980	6,889,331	3.04

† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 23,524,000	$ 18,425,000
Cost of sales	15,151,000	12,377,000
Expenses	6,636,000	5,787,000
Interest income	(871,000)	(757,000)
Income before taxes	$ 2,608,000	$ 1,018,000
Income taxes	1,008,000	356,000
Net Income	$ 1,600,000	$ 662,000

* Included in Costs and Expenses, Depreciation: $408,000 in 1984 and $385,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 151,000	$ 489,000
Cert. of deposit	12,297,000	14,510,000
Accts. receiv., net	6,679,000	4,381,000
*Inventories	11,489,000	10,737,000
Prepaid expenses	411,000	353,000
Prepaid income taxes	648,000	572,000
Current Assets	$ 31,675,000	$ 31,042,000
#Fixed assets	4,153,000	3,969,000
Other assets	127,000	33,000
Total Assets	$ 35,955,000	$ 35,044,000

New Brunswick Scientific Co., Inc.

Liabilities

Notes payable	$ 640,000	$ 861,000
Long-term debt, curr.	129,000	121,000
Accts. payable	2,436,000	2,364,000
Advances	727,000	409,000
Income taxes	443,000	—
Curr. Liabilities	$ 4,375,000	$ 3,755,000
Long-term debt	2,398,000	2,526,000
Deferred inc. taxes	272,000	196,000
+ Common stock	231,000	237,000
Add. paid-in capital	20,166,000	20,941,000
Retained earnings	9,241,000	7,641,000
Curr. trans. adj.	(728,000)	(252,000)
Total Liabilities & Shareholders' Equity	$ 33,955,000	$ 35,044,000

* At lower of cost (FIFO or actual) or market.
# Less accumulated depreciation.
+ $0.0625 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.09	5.53
%Net Income to Sales	6.80	3.59
%Net Income to Equity	5.53	2.32
Sales to Inventories	2.05	1.72
Working Capital	$27,300,000	$27,287,000
Current Ratio	7.24	8.27
Shareholders' Equity	$28,910,000	$28,567,000

Newport Electronics, Inc.

630 East Young Street
Santa Ana, California 92705
(714) 540-4914

Officers: Barret B. Weekes, chairman, president & chief executive officer; Harold H. Weiss, v.p.-marketing; Nicholas Testa, v.p.-operations; Ronald P. Grace, v.p.-finance & chief financial officer; James R. Lees, v.p.-Europe; Karl Hinrichs, v.p.-research; John Virtue, secretary.

Directors: Robert H. Davis, Norman E. Gray, John Virtue, Barret B. Weekes.

Areas of Work: Engaged in design, manufacture and marketing of precision digital electronic measurement instruments, including digital panel voltmeters, pyrometers and counters. Also manufactures complementary products such as printers, digital clocks, comparators and remote digital displays and digital bus controllers.

Subsidiaries:

Newport Electronics International, Inc. (DISC)
Santa Ana, California

Newport Electronics GmbH
7261 Deckenpfronn
Gaustrasse 28-30
Federal Republic of Germany

Newport Electronique S.A.R.L.
9, rue Denis Papin
78190 Trappes, France

Newport Electronics B.V.
P.O. Box 105
2150 AC Nieuw-Vennep
The Netherlands

Newport Electronics Ltd.
Red Fira Building
Maxwell Road
Stevenage, Hertfordshire SG1 2EW
United Kingdom

Transfer Agent(s):

U.S. Stock Transfer Corporation
Glendale, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NEWE (NASDAQ)

Number of Employees:

1984	185	1981	190
1983	155	1980	205
1982	180		

Plant Footage:

1984	35,000 sq. ft.	1981	35,000
1983	35,000	1980	35,000
1982	35,000		

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 11,063,000	$ 705,000
1983	8,623,000	(526,000)
1982	8,809,000	236,000
1981	10,167,000	6,000
1980	10,442,000	179,000

	No. of Com. Shares	Earn. per Share × †
1984	1,195,476	$ 0.58
1983	1,195,276	—
1982	1,193,746	0.20
1981	1,193,746	0.01
1980	1,169,651	0.15

(Loss)
+ Of continuing operations only.
† Including extraordinary gain of $145,000 ($0.12 per share) in 1984.
× Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 4,712,000	$ 3.94
1983	4,006,000	3.35
1982	4,528,000	3.79
1981	4,292,000	3.60
1980	4,223,000	3.61

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 11,063,000	$ 8,623,000
Cost of sales	6,379,000	5,364,000
Prod. develop.	576,000	702,000
Expenses	3,433,000	3,137,000
Income (loss) before taxes	$ 675,000	$ (580,000)
Income taxes (credit)	115,000	(54,000)
Extraordinary credit	$ 560,000	$ —
Net Income (Loss) and extraord. gain	145,000	(526,000)
Net Income (Loss)	$ 705,000	$ (526,000)

* Included in Costs and Expenses, Depreciation and Amortization: $275,000 in 1984 and $262,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 243,000	$ 326,000
Accts. & notes receiv., net	2,141,000	1,658,000
*Inventories	2,358,000	2,131,000
Inc. taxes receiv.	51,000	85,000
Prepaid expenses	73,000	220,000
Current Assets	$ 4,866,000	$ 4,420,000
#Fixed assets	1,271,000	925,000
Other assets	6,000	8,000
Total Assets	$ 6,143,000	$ 5,353,000

Liabilities

Long-term debt, curr.	$ 50,000	$ 40,000
Accts. payable	559,000	465,000
Accruals	467,000	394,000
Income taxes	72,000	20,000
Curr. Liabilities	$ 1,148,000	$ 919,000
Deferred income taxes	97,000	186,000
Representative indemnity	36,000	42,000
Long-term debt	150,000	200,000
+ Common stock	12,000	12,000
Add. paid-in capital	1,363,000	1,362,000
Retained earnings	3,337,000	2,632,000
Total Liabilities & Shareholders' Equity	$ 6,143,000	$ 5,353,000

* At lower of average cost or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.10	—
%Net Income to Sales	6.37	—
%Net Income to Equity	11.88	—
Sales to Inventories	4.69	4.05
Working Capital	$3,718,000	$3,501,000
Current Ratio	4.24	4.81
Shareholders' Equity	$4,712,000	$4,006,000

Nicolet Instrument Corporation

5225 Verona Road
Madison, Wisconsin 53711
(608) 271-3333

Officers: John B. Krauss, president & chief exec. officer; Robert E. Penrod, Arthur F. Smith, group v.p.'s; Hiroshi Bando, v.p. & representative director-Nicolet Japan Corporation; Keith E. Brue, v.p.-finance & administration; Richard J. Cushing, v.p. & president-Nicolet Analytical Division; Gregory B. Johnson, v.p.-international operations; Robert L. Olsen, v.p. & president-Nicolet Biomedical Division; Joseph P. Royere, v.p. & president-Nicolet Computer Graphics; L. V. Ackman, secretary.

Directors: L. V. Ackman, Wesley J. Anderson, Patrick D. Lynch, John B. Krauss, John G. Bollinger, Jeanette Grasselli, Odell E. Powers.

Areas of Work: Designs and manufactures sophisticated electronic measurement instrumentation, including "signal averagers" and spectrum and statistical analyzers. Also engaged in the field of computer-aided data acquisition and processing, digital graphics and computer assisted design.

Divisions and Subsidiaries:

Nicolet X-Ray Products
5225 Verona Road
Madison, Wisconsin 53711

Nicolet Instrument GmbH
Senefelderstrasse 162
D-6050 Offenbach am Main
West Germany

Nicolet Instruments Limited
Budbrooke Road
Warwick, Warwickshire
England CV34 5XH

Nicolet Instrument Canada Inc.
1-1200 Aerowood Drive
Mississauga, Ontario L4W 2S7 Canada

Nicolet Analytical Division
5225 Verona Road
Madison, Wisconsin 53711

Nicolet Biomedical Division
5225 Verona Road
Madison, Wisconsin 53711
(608) 271-3333

Nicolet Oscilloscope Division
5225 Verona Road
Madison, Wisconsin 53711

Nicolet Japan Corporation
Daisho Building 8-7-6 Chome
Nishi-Nakajima, Yodogawa-ku
Osaka 532, Japan

Nicolet Computer Graphics
777 Arnold Drive
Martinez, California 94553
(415) 373-7508
Manufacturer of digital graphic plotters.

Nicolet Instrument S.A.R.L.
Z-1 Les Gatines
Rue Elsa Triolet
78370 Plaisir, France

Nicolet Instrument B.V.
Zuiderinslag 4
3871 MR Hoevelaken
The Netherlands

Paratronics, Inc.
Manufacturer of logic analyzers.

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): New York

Ticker Symbol: NIC

Number of Employees:

1985	1,289	1982	950
1984	1,153	1981	780
1983	1,100		

Plant Footage:

1985	N.A.	1982	N.A.
1984	N.A.	1981	95,000
1983	400,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales +	Net Income
1985	$ 112,607,000	$ 4,793,000
1984	93,369,000	4,969,000
1983	79,073,000	1,061,000
1982	71,923,000	2,628,000
1981	58,952,000	5,106,000

	No. of Com. Shares #	Earn. per Share #
1985	6,300,000	$ 0.76
1984	6,200,000	0.80
1983	5,330,000	0.20
1982	5,230,000	0.50
1981	5,170,000	0.99

+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.12	—	—
1984	0.06	—	—
1983	0.12	—	—
1982	0.24	—	—
1981	0.24	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 59,292,000	$ 9.41
1984	54,834,000	8.84
1983	36,221,000	6.80
1982	35,419,000	6.77
1981	33,046,000	6.39

Income Account *

Year ended	3/29/85	3/30/84
Net sales	$ 112,607,000	$ 93,369,000
Cost of sales	46,598,000	38,217,000
Expenses	58,167,000	46,083,000
Interest expense	1,019,000	708,000
Income before taxes	$ 6,823,000	$ 8,361,000
Income taxes	2,030,000	3,461,000
Inc.-cont. oper.	$ 4,793,000	$ 4,900,000
Income- discont. oper.	—	69,000
Net Income	$ 4,793,000	$ 4,969,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,517,000 in 1985 and $3,024,000 in 1984.

Assets

As of	3/29/85	3/30/84
Cash & marketable securities	$ 6,507,000	$ 13,059,000
Receiv., net	31,254,000	28,005,000
*Inventories	26,152,000	22,217,000
Sundry	3,474,000	3,651,000
Current Assets	$ 67,387,000	$ 66,932,000
#Fixed assets	19,919,000	17,349,000
Intangibles, net	852,000	736,000
Other assets	1,742,000	1,231,000
Total Assets	$ 89,900,000	$ 86,248,000

Liabilities

Notes payable	$ 3,594,000	$ 5,041,000
Long-term debt, curr.	711,000	925,000
Accts. payable	7,023,000	6,916,000
Accruals	4,719,000	3,724,000
Contingency reserve-discont. operations	2,232,000	1,364,000
Employee compens.	2,872,000	3,427,000
Income taxes	559,000	408,000
Curr. Liabilities	$ 21,710,000	$ 21,805,000
Long-term debt	8,898,000	9,609,000
+ Common stock	1,577,000	1,561,000
Add. paid-in capital	32,083,000	31,296,000
Retained earnings	26,247,000	22,204,000
Curr. trans. adj.	(615,000)	(227,000)
Total Liabilities & Shareholders' Equity	$ 89,900,000	$ 86,248,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	8.08	9.06
Sales to Inventories	4.31	4.20
Working Capital	$45,677,000	$45,127,000
Current Ratio	3.10	3.07
Shareholders' Equity	$59,292,000	$54,834,000

Norlin Corporation

Westchester One
White Plains, New York 10601
(914) 683-0001

Officers: Norton Stevens, chairman of the board & chief exec. officer; Gilbert A. Simpkins, president & chief operating officer; Martin D. Locke, v.p. & president-Lowrey & Gibson Divisions; Zachary Marantis, v.p., chief legal officer & general counsel; Charles A. Butler, v.p., chief financial officer & treasurer; Stewart E. Lavey, secretary; Donald L. Flamm, controller & chief accounting officer; Calvin W. Aurand, Jr., exec. v.p. & president-Ticor Print Network, Inc.; Robert E. Olsen, v.p. & exec. v.p.-Lowrey Division.

Directors: James McGuinness, Harold Krensky, Edward R. McPherson, Jr., Katharine T. O'Neil, Eli Shapiro, Gilbert A. Simpkins, Norton Stevens, Calvin W. Aurand, Jr., James K. Baker, Jack R. Hubbs, Robert H. Leuser, Zachary Marantis.

Areas of Work: Engaged in the processing of selected materials, design and manufacture of instruments and devices and the development of advanced electronic equipment for industrial and government markets.

Electronics Operating Groups:

Government Group:

Engaged in the engineering, development and manufacture of advanced special purpose surveillance receivers and electronic switching systems. In addition to basic receivers, the product line includes switching matrices, multicouplers, amplifiers, signal processing and display components. Also provides microwave oscillators and specified transmitters and receivers for application in ground and airborne communications, radar and test equipment.

Industrial Group:

Produces natural and synthetic quartz crystal blanks sold directly to manufacturers of crystal oscillators and filters, products which are used in the communications, electronics and watch industries to regulate frequencies in systems. Also sells precision finishing equipment, which is used primarily in silicon, ceramic, ferrite, metal and quartz finishing operations.

Designs and manufactures circuit breakers and motor protectors for commercial military aircraft, spacecraft, appliance motors, appliances, computer equipment and other commercial and industrial products. Also manufactures circuit protection devices for low-power household and industrial equipment, component circuits, and household appliances; AC power sources, frequency converters and line regulators under the Cimron trademark; multichannel monitor oscilloscopes and special measurement systems.

Divisions and Subsidiaries:

Chas. P. Young Company
75 Varick Street
New York, New York 10013
(212) 431-5300

Jeffries Banknote Company
1330 West Pico Boulevard
Los Angeles, California 90015
(213) 742-8888

966 East Sandhill Avenue
Carson, California 90746
(213) 516-7800

Lowrey Division
707 Lake-Cook Road
Deerfield, Illinois 60015
(312) 480-6600

Gibson Division
Suite 200
South Perimeter Drive
Nashville, Tennessee 37210
(615) 366-2400

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): New York

Ticker Symbol: NRL

Number of Employees:

1983	2,900	1980	5,700
1982	1,800	1979	6,100
1981	3,600		

Sales and Earnings

	Net Sales +	Net Income #
1983	$ 74,833,000	$ (3,649,000)
1982	88,689,000	(37,806,000)
1981	117,805,000	18,195,000
1980	123,808,000	(3,866,000)
1979	145,306,000	9,795,000

	No. of Com. Shares†	Earn. per Share † #
1983	1,607,000	$ —
1982	1,965,000	—
1981	1,925,000	9.45
1980	1,880,000	—
1979	1,879,000	5.21

(Loss)
+ Of continuing operations only.
# Including extraordinary gains of $14,000,000 ($8.71 per share) in 1983 and $4,140,000 ($2.15 per share) in 1981.
† Based on the average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$ —	—	—
1982	—	—	—

1981	—	—	—
1980	0.80	—	—
1979	1.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 58,661,000	$ 36.50
1982	75,563,000	38.45
1981	111,191,000	57.76
1980	92,681,000	49.30
1979	98,031,000	52.17

‡ Based on the average number of common shares outstanding

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 74,833	$ 88,689
Other income	5,032	2,152
Total Income	$ 79,865	$ 90,841
Cost of sales	54,180	64,058
Expenses	27,230	34,415
Depreciation & amortization	2,628	3,045
Interest expense	4,107	4,766
Restruc. costs	4,313	—
Write-off of goodwill	—	22,557
Other expenses	736	697
Loss before taxes	$ (13,329)	$ (38,697)
Income taxes (credit)	(397)	731
Loss-cont. oper.	$ (12,932)	$ (39,428)
Inc. (loss) discont. oper.	(4,717)	1,622
Net Loss	$ (17,649)	$ (37,806)
Extraord. gain	14,000	—
Net Loss & extraord. gain	$ (3,649)	$ (37,806)

Assets
(000's)

As of Dec. 31	1983	1982
Cash	$ 16,310	$ 64,341
Receivables	65,925	12,314
*Inventories	31,093	22,970
Assets held for sale	5,530	—
Prepaid expenses	1,677	2,521
Current Assets	$ 120,535	$ 102,146
# Fixed assets	42,434	16,889
Other assets	1,798	587
Intangibles	18,965	—
Total Assets	$ 183,732	$ 119,622

Liabilities

Notes payable	$ —	$ 297
Long-term debt, curr.	5,109	521
Accts. payable	10,757	2,524
Income taxes	573	701
Other taxes & expenses	26,892	11,317
Curr. Liabilities	$ 43,331	$ 15,360
Long-term debt	79,599	27,228
Other liabilities	2,141	1,471
+ Common Stock	10,501	10,501
Add. paid-in capital	15,275	15,736
Retained earnings	46,915	50,564
Deferred compensation	(145)	(631)
Treasury stock	(13,885)	(607)
Total Liabilities & Shareholders' Equity	$ 183,732	$ 119,622

# Less accumulated depreciation and amortization.
* At LIFO (59%); remainder at FIFO or average cost methods.
+ $5 par value.

Statistical Summary

Sales to Inventories	2.41	3.86
Working Capital	$77,204,000	$86,786,000
Current Ratio	2.78	6.65
Shareholders' Equity	$58,661,000	$75,563,000

Nortek, Inc.

815 Reservoir Avenue
Cranston, Rhode Island 02910
(401) 943-1500

Officers: Ralph R. Papitto, chairman of the board & chief exec. officer; Richard L. Bready, president, chief financial & chief operating officer; Edward J. O'Neil, Edward W. Ricci, vice presidents; Kevin G. Hoag, George C. Neumann, vice presidents/group operations; J.R. Potter, v.p., general counsel & secretary; Almon C. Hall, v.p., controller & chief accounting officer; Richard J. Harris, v.p. & treasurer.

Directors: Ralph R. Papitto, Richard L. Bready, Richard J. Harris, Philip B. Brooks, Douglas N. Ellis, Leo Goldberg, Edward W. Ricci, Thomas J. Paolino, David J. Stone.

Areas of Work: The industrial products group is engaged primarily in the manufacture and sale of rotary drill pipe, industrial wire and cable, building wire, insulated flexible steel conduit, and armored cable for use in electrical installations in a broad range of industries. The consumer products group includes (a) quarrying, production and sale of rough and finished granite products for finished monuments, markers, mausoleums, and civic memorials, and (b) the design, manufacture and sale of decorative and functional products for infants, juveniles and adults, such as costumes, music boxes, mobiles, animated musical lamps, and specialty lamps. The Company's services group is engaged in the dyeing, finishing and printing of textile goods.

Divisions and Subsidiaries:

Broan, Mfg. Co., Inc.
P.O. Box 140
Hartford, Wisconsin 53027

Monarch Metal Products Corporation
1901 Estes Ave.
Elk Grove Village, Illinois 60007

Music & Sound, Inc.
2861 Congressman Lane
Dallas, Texas 75201

Gemaire Distributors, Inc.
198 Lock Road
Deerfield Beach, Florida 33441

Glassalum Engineering Corp.
7933 NW 71 St.
Miami, Florida 33166

The Major Glass Company Inc.
285 Salem St.
Woburn, Massachusetts 01888

Roman Caulking and Waterproofing Company
of Florida, Inc.
6710 NW 15th Way
Fort Lauderdale, Florida 33309

Metal Products
3535 Hayden Ave.
Culver City, California 90230

Aerospace Fasteners
3423 South Garfield Ave.
Los Angeles, California 90040

American Pneumatic Tool Company
14710 Maple Ave.
Gardena, California 90248

Custom Craft
8557 Higuera St.
Culver City, California 90230

NATCO Divison-St. Louis
11688 Fairgrove Industrial Boulevard
Maryland Heights, Missouri, 63043

Fasteners, Inc.
3501 W. Dunes Highway
Michigan City, Indiana 46360

NATCO Division-Cleveland
4740 Beidler Road
Willoughby, Ohio 44094

Peacock Engineering
10620 Firestone Boulevard
Norwalk, California 90650

Sanitation Group
4030 Freeman Boulevard
Redondo Beach, California 90278

Tooltech, Inc.
3145 Columbia Ave., N.E.
Minneapolis, Minnesota 55418

Chester Hoist
Salem Road
Lisbon, Ohio 44432

Ohio Rod Products
P.O. Box 416
Versailles, Indiana 47042

Chandler Products
1491 Chardon Road
Euclid, Ohio 44117

Cornell Manufacturing Co., Inc.
25 Ramland Road
Orangeburg, New York 10962

Mykroy/Mycalex
125 Clifton Boulevard
Clifton, New Jersey 07015

American Flexible Conduit Company, Inc.
55 Samuel Barnett Boulevard
New Bedford, Masschusetts 02745

The Glastic Co.
4321 Glenridge Road
Cleveland, Ohio 44121

Montrose Products
Aubrun Industrial Park
Auburn, Massachusetts 01501

Spaulding Fibre Company, Inc.
310 Wheeler St.
Tonawanda, New York 14150

Ring Brothers Corporation
501 Santa Monica Boulevard
Santa Monica, California 90406

Monosolar, Inc.
8635 Aviation Boulevard
Inglewood, California 90301

Ring Brothers Management Corporation
501 Santa Monica Boulevard
Santa Monica, California 90406

The Duro Companies
110 Chace St.
Fall River, Massachusetts 02724

Transfer Agent(s):

State Street Bank and Trust
Boston, Massachusetts 02101

Stock Exchange(s): New York

Ticker Symbol: NTK

Number of Employees:

1983	6,000

Sales and Earnings

	Net Sales +	Net Income
1983	$ 331,321,000	$ 7,100,000
1982	196,858,000	6,300,000

1981	241,733,000	9,600,000
1980	121,862,000	4,200,000
1979	97,164,000	3,750,000

	No. of Com. Shares	Earn. per Share ‡‡
1983	6,741,000	$ 1.34
1982	4,216,000	1.59
1981	3,893,000	2.75
1980	2,941,000	1.41
1979	2,982,000	1.32

+ Of continuing operations only.
‡‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1983	1982
Commercial & residential building products	$ 171,136	$ 89,333
Metal prods.	35,727	29,197
Finishing, dyeing & printing svcs.	55,891	48,371
Elec. material prods.	68,567	24,016
Businesses sold	—	5,941
Total	$ 331,321	$ 196,858

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.08	—	—
1982	0.08	—	—
1981	0.08	—	—
1980	0.08	—	—
1979	0.07	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 109,775,000	$ 16.28
1982	72,293,000	17.15
1981	61,661,000	15.84
1980	41,786,000	14.21
1979	38,146,000	12.79

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 331,321	$ 196,858
Cost of sales	251,818	149,444
Expenses	51,381	32,777
Interest & debt expense	14,822	6,237
Income bef. taxes	$ 13,300	$ 8,400
Income taxes	6,100	3,200
Inc.-cont. oper.	$ 7,200	$ 5,200
Inc. (loss)-discont. oper.	(100)	1,100
Net Income	$ 7,100	$ 6,300

* Included in Costs and Expenses, Depreciation, Depletion and Amortization. $8,714,000 in 1983 and $5,893,000 in 1982.

Assets
(000's)

As of Dec. 31	1983	1982
Cash & short-term invest.	$ 18,556	$ 15,906
Accts. receiv., net	78,882	44,117
*Inventories	85,689	44,433
Assets of discont. oper.	20,200	—
Current Assets	$ 203,327	$ 104,456
#Fixed assets	101,383	39,336
Assets of discont. oper.	—	20,177
Other assets	21,243	12,929
Intangibles	41,675	13,193
Def. debt exp.	2,242	2,420
Total Assets	$ 369,870	$ 192,511

Liabilities
(000's)

	1983	1982
Long-term debt, curr.	$ 8,471	$ 1,421
Accts. payable	28,115	21,256
Accruals	40,752	14,718
Income taxes	1,321	3,915
Curr. Liabilities	$ 78,659	$ 41,310
Long-term debt	89,893	23,704
Subord. deben.	81,353	50,984
Other liabilities	10,190	4,220
+Common stock	6,774	4,406
Add. paid-in capital	63,848	36,051
Retained earnings	39,394	32,733
Treasury stock	(241)	(897)
Total Liabilities & Shareholders' Equity	$ 369,870	$ 192,511

* At lower of cost (FIFO & LIFO) or market.
# Less accumulated depreciation and depletion.
+ $1 par value.

Statistical Summary

%Net Income to Equity	6.47	8.71
Sales to Inventories	3.87	4.43
Working Capital	$124,668,000	$63,146,000
Current Ratio	2.58	2.53
Shareholders' Equity	$109,775,000	$72,293,000

North American Philips Corporation

100 East 42nd Street
New York, New York 10017
(212) 697-3600

Officers: Cees Bruynes, president & chief exec. officer; Richard A. Daunoras, exec. v.p. & chief financial officer; Frank Hopkins, Edward Klein, Kenneth C. Meinken, Jr., exec. v.p.'s; Robert T. Cavanagh & Daniel F. Minahan, senior v.p.'s; Wallace E.J. Collins, vice president, secretary & general counsel; Frederik Engel, Norman A. Neumann, Stephen C. Tumminello, v.p.'s & group executives; Charles F. Dransfield, Patrick J. Greaney, Albert A. Ruttner, Donald L. Hamilton, Charles E. Ferguson, John C. Messerschmitt, Larry J. French, Paul S. Friedlander, Bruce D. Bengston, vice presidents; Stanley I. Cundey, Jr., v.p. & treasurer; James S. Cole, v.p. & controller; William E. Curran, assistant treasurer; Joseph C. Miranda, asst. secretary; Ronald Phillips, Denis J. Riordan, Emil J. Misisco, staff v.p.'s.

Directors: Edward J. Boling, Cees Bruynes, Joseph A. Rice, Fletcher L. Byrom, Frank Chapman, Robert G. Dettmer, Robert L. Newell, Pieter C. Vink, Hamilton B. Mitchell, Robert A. Powers, William M. Rees.

Areas of Work: The Company is engaged in three basic areas: consumer products and services; electrical/electronic components; and professional equipment.

Divisions and Subsidiaries:

Advance Transformers Company
2950 North Western Avenue
Chicago, Illinois 60618

Ballasts for fluorescent and high intensity discharge lamps; dimming and control systems; power units for microwave cooking.

Alliance Manufacturing Company, Inc.
22790 Lake Park Boulevard
Alliance, Ohio 44601

Remote control garage door openers; TV antenna rotators; subfractional and fractional horsepower motors for business machines, phonographs and home appliances; consumer protective devices.

Amperex Electronic Corporation
Slatersville, Rhode Island

Electron tubes, electro-optical devices; semiconductors; integrated circuits; electronic components.

Chicago Magnet Wire Corp.
901 Chase Avenue
Elk Grove Village, Illinois 60007

Insulated copper and aluminum magnet wire and plastic insulated wire and cable for use in electronic industries.

Consumer Products Division
Stamford, Connecticut

Norelco® electric shavers; hearing aids; personal care and home appliances, electrical housewares; tape recorders and blank cassettes; AKG® microphones and headphones; Norelco Service, Inc. for service, parts and accessories.

Dialight Corporation
100 East 42nd Street
New York, New York 10017

Indicator lights; switches, numeric readouts; LED devices.

Electrical Industries
691 Central Avenue
Murray Hill, New Jersey 07974

Hermetic glass-to-metal seals for component manufacturers; glass preforms; wire preforms, metal stampings; coined component parts; screw machine products.

Mepco/Electra, Inc.
Columbia Road
Morristown, New Jersey 07960

Metal film, carbon film, wire and power resistors, hermetically-sealed glass resistors; miniature ceramic capacitors; resistor networks; aluminum electrolyic capacitors; film capacitors; variable capacitors; non-linear resistors; carbon film potentiometers; cermet potentiometers; cermet fuses; connectors.

N.A.P. Consumer Electronics Company
Knoxville, Tennessee

Manufactures home entertainment products including complete television-stereo consoles, radio-phonograph components and components systems, portable table and clock radios, tape recorders, cassette changers and accessories.

Magnavox Government and Industrial Electronics Company
1700 Magnavox Way
Fort Wayne, Indiana 46804

Engaged in the areas of defense communications, minicomputers and computer terminals, airborne submarine surveillance systems and position-location and navigation systems.

Airpax
Cheshire Industrial Park
Cheshire, Connecticut 06410

Electro-mechanical and electronic timing and control systems; timing, control and stepper motors; aircraft timing systems; microminiature and subminiature electro-mechanical and electronic relays.

North American Philips Lighting Corporation
Bloomfield, New Jersey

Mercury vapor lamps, sodium lighting products, reflector-type lamps; projection lamps for movies and slides; spotlights and floodlights; flashbulbs; miniature and sub-miniature lamps; sun lamps; heat lamps; household bulbs; fluorescent lamps, special discharge lamps; lighting fixtures.

Ohmite Manufacturing Company
3601 Howard Street
Skokie, Illinois 60076

Wirewound power resistors and rheostats; power tap switches, variable transformers; relays; solid state power controls and other components.

Philips Business Systems, Inc.
Woodbury, New York 11797

Dictation systems including desk, portable and pocket models; intercom equipment; pocket paging systems; office computers and peripherals.

Philips Electronic Instruments, Inc.
Mahwah, New Jersey 11797

Analytical instrumentation and systems; transmission electron microscopes; X-ray diffraction and spectrographic equipment; X-ray radiographic equipment; IRS, UV, VIS and AA spectrophotometers; liquid chromatographs; air and water pollution monitors; X-ray baggage inspection equipment; canning electron microscopy.

Philips Elmet Corporation
Lisbon Road
Lewiston, Maine 04240

Refractory metals; tungsten and molybdenum powder, wire rod and sheet fabricated parts, welding electrodes; magnet wire and diamond dies.

North American Philips Corporation

Centralab, Inc.
Milwaukee, Wisconsin

Philips Laboratories
345 Scarborough Road
Briarcliff Manor, New York 10510

Research and development in electro-optics with related programs in solid state electronics and instrumentation.

American Color & Chemical Corporation
Charlotte, North Carolina

Anchor Brush Company, Inc.
Montgomery, Illinois

Baker, Knapp & Tubbs, Inc.
Chicago, Illinois

Carolina Coach Company
Raleigh, North Carolina

Philips ECG, Inc.
Seneca Falls, New York

N.A.P. Commercial Electronics Corp.
Waltham, Massachusetts

The Selmer Company
Elkhart, Indiana

Magnavox CATV Systems, Inc.
Manlius, New York

Philips Medical Systems, Inc.
710 Bridgeport Avenue
Shelton, Connecticut 06484

Diagnostic and therapeutic X-ray systems for medical, dental, podiatry and veterinary applications, medical electronic systems; hospital planning and equipment and supplies consulting.

Kulka H. Smith, Inc.
Manasquan, New Jersey

Electronic components for electrical and electronic manufacturers; switches, plugs, mounting accessories, electronic educational kits.

Genie Home Products, Inc.
Alliance, Ohio

Philips Home Interactive Systems, Inc.
Knoxville, Tennssee

Philips Subsystems & Peripherals, Inc.
New York, New York

Acquisition(s):

Westinghouse Lamps

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): New York

Ticker Symbol: NPH

Number of Employees:

1984	57,400	1981	49,021
1983	56,550	1980	43,448
1982	45,823		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 4,325,900	$ 130,500
1983	3,799,825	95,712
1982	3,168,052	73,564
1981	3,030,044	78,518
1980	2,171,379	74,383

	No. of Com. Shares ‡	Earn. per Share #
1984	28,800,000	$ 4.53
1983	28,704,082	3.38
1982	27,702,856	2.66
1981	27,361,934	3.84
1980	26,324,436	2.85

‡ Adjusted to reflect stock split.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Consumer electronics	$ 1,240,600	$ 1,084,235
Elec. consumer prods.	903,600	789,235
Other consumer prods. & services	229,000	233,423
Electrical & electronic components	905,700	785,878
Professional equipment	1,047,000	907,054
Total	$ 4,325,900	$ 3,799,825

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	0.85	—	2-for-1
1982	0.85	—	—
1981	0.85	—	—
1980	0.85	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 986,800	$ 34.30
1983	883,874	30.79
1982	783,512	28.28
1981	732,194	26.76
1980	630,672	23.96

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 4,325,900	$ 3,799,825
Cost of sales	3,296,300	2,895,299
Expenses	764,100	706,739
Other expense (income)	1,300	(9,124)
Interest expense	59,500	48,036
Income before taxes	$ 204,700	$ 158,875
Income taxes	67,500	59,193
Dividend payable on stock of subsid.	6,700	3,970
Net Income	$ 130,500	$ 95,712

* Included in Costs and Expenses, Depreciation and Amortization: $88,400,000 in 1984 and $75,551,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 48,700	$ 29,222
Accts. & notes receiv., net	873,100	791,952
Deferred tax benefits	24,700	46,074
*Inventories	891,500	786,031
Prepaid expenses	23,400	15,988
Due from sub.	2,300	3,179
Current Assets	$ 1,863,700	$ 1,672,446
#Fixed assets	621,900	541,388
Other assets	32,000	38,659
Total Assets	$ 2,517,600	$ 2,252,493

Liabilities
(000's)

Notes payable	$ 29,700	$ 10,485
Long-term debt, curr.	7,300	4,216
Accts. payable	171,800	211,815
Accruals & other liabilities	418,900	396,858
Dividends payable	7,200	6,099
Income taxes	23,100	38,495
Due to affiliates	73,900	47,634
Curr. Liabilities	$ 731,900	$ 715,602
Long-term debt	501,400	350,842
Interest in pref. stock of subsid.	212,000	212,000
Deferred income taxes	76,300	81,413
Other liabilities	9,200	8,762
+ Common stock	150,400	150,046
Add. paid-in capital	99,700	98,316
Retained earnings	748,800	647,622
Treasury stock	12,100	(12,110)
Total Liabilities & Shareholders' Equity	$ 2,517,600	$ 2,252,493

* At lower of cost or market.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.73	4.18
% Net Income to Sales	3.01	2.52
% Net Income to Equity	13.22	10.83
Sales to Inventories	4.86	4.83
Working Capital	$1,131,800,000	$956,844,000
Current Ratio	2.55	2.34
Shareholders' Equity	$ 986,800,000	$883,874,000

North Atlantic Industries, Inc.

60 Plant Avenue
Hauppauge, New York 11788
(516) 582-6500

Officers: Malcolm D. Widenor, president; Walter Lipkin, sr. vice president and treasurer; H. Colgate, exec. v.p.; Arthur Freilich, v.p.-engineering; Jay S. Truesdell, v.p.-industrial relations; Michael McCrain, controller; Brian Clare, v.p.-materials management; Eduardo Delgado, v.p.-military sales; S. Richard Rausch, v.p.-Qantax Data Products; Ken Salz, director-sales & marketing.

Directors: Walter Lipkin, Malcolm D. Widenor, John D. May.

Areas of Work: Manufactures electronic instrumentation for the measurement of complex A.C. signals; manufactures computer peripherals, tape drives, printers, data storage system and angle position indicators.

Divisions and Subsidiaries:

Qantex Division

Engaged in the production of peripheral computer equipment. Products include magnetic tape storage systems, magnetic tape drives and accessory interface products.

Instrument Division

Instrument products include specialized analog/digital signal processing equipment used for test, control and maintenance in the aerospace, military and commercial avionic markets.

North Atlantic/ACS Division

Markets digital products and systems, for the microcomputer market. The product line consists of DEC compatible (Q-Bus) Microchassis, Power Supplies, Microcomputers and other support cards which are sold to industry, research laboratories and universities.

Military Products Division

Markets militarized computer peripherals.

Transfer Agent(s):

The American Stock Transfer Co.
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NATL (NASDAQ)

Number of Employees:

1982	395	1980	341
1981	395	1979	403

Plant Footage:

1982	91,000 sq. ft.	1980	66,000
1981	91,000	1979	66,000

Sales and Earnings

	Net Sales	Net Income
1983	$ 27,133,000	$ 2,386,000
1982	22,684,000	1,453,000
1981	18,260,000	779,000
1980	13,829,000	(179,000)
1979	14,035,000	735,000

	No. of Com. Shares +	Earn. per Share +
1983	3,254,000	$ 0.73
1982	2,717,000	0.53
1981	2,727,000	0.29
1980	2,681,000	—
1979	2,348,000	0.31

(Loss)
+ Based on the average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	50%	—
1982	—	50%	—

Common Stock Equity

	Total Equity	Equity Per Share +
1983	$ 13,545,000	$ 4.16
1982	5,727,000	2.11
1981	4,162,000	1.53
1980	3,380,000	1.26
1979	3,535,000	1.51

+ Based on the average number of common shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	12/31/83	1/1/83
Net sales	$ 27,133,000	$ 22,684,000
Cost of sales	14,621,000	13,496,000
Expenses	8,510,000	6,191,000
Interest income	(311,000)	—
Interest expense	288,000	614,000
Income before taxes	$ 4,025,000	$ 2,383,000
Income taxes	1,639,000	930,000
Net Income	$ 2,386,000	$ 1,453,000

* Included in Costs and Expenses, Depreciation and Amortization: $470,000 in 1983 and $357,000 in 1982.

Assets

As of	12/31/83	1/1/83
Cash	$ 5,881,000	$ 250,000
Marketable securities	701,000	—
Accts. receiv., net	3,556,000	3,992,000
*Inventories	4,587,000	6,119,000
Deferred inc. taxes	281,000	451,000
Other assets	173,000	80,000
Current Assets	$ 15,179,000	$ 10,892,000
#Fixed assets	3,904,000	3,229,000
Other assets & deposits	129,000	16,000
Total Assets	$ 19,212,000	$ 14,137,000

Liabilities

Long-term debt, curr	$ 349,000	$ 397,000
Accts. payable	1,098,000	1,610,000
Accrued payroll & commissions	239,000	238,000
Accrued pension expense	123,000	228,000
Other accruals	816,000	895,000
Inc. taxes payable	483,000	785,000
Curr. Liabilities	$ 3,108,000	$ 4,153,000
Long-term debt	2,266,000	3,973,000
Def. income taxes	293,000	284,000
+ Common stock	338,000	179,000
Add. paid-in capital	6,654,000	1,381,000
Retained earnings	6,553,000	4,167,000
Total Liabilities & Shareholders' Equity	$ 19,212,000	$ 14,137,000

* At lower of cost or market (LIFO)
# Less accumulated depreciation and amortization
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	14.83	10.51
%Net Income to Sales	8.79	6.41
%Net Income to Equity	17.62	25.37
Sales to Inventories	5.92	3.71
Working Capital	$12,071,000	$6,739,000
Current Ratio	4.88	2.62
Shareholders' Equity	$13,545,000	$5,727,000

North Hills Electronics, Inc.

1 Alexander Place
Glen Cove, New York 11542
(516) 671-5700

Officers: Leo Staschover, chairman & chief exec. officer; Howard G. Anders, president, chief oper. financial officer, v.p. & treasurer; Michael T. Pappas, v.p.; Jack E. Israeloff, secretary.

Directors: Leo Staschover, Jack E. Israeloff, Michael T. Pappas, Howard G. Anders, Joe P. Schindler.

Areas of Work: Engaged in the design, development, manufacture and sale of state-of-the-art electric components, instruments and equipment in personal communications, computer local networking and solid state power sources.

Divisions:

Communications Products Division
Power Conversion Division
Specialty Products Division

Subsidiary:

Displex, Inc.
Markets uninterruptible power supplies and a series of power line conditioners.

Transfer Agent(s):

Manufacturers Hanover Trust Company
P.O. Box 24935
Church Street Station
New York, New York 10249

Stock Exchange(s): Over-the-Counter

Ticker Symbol: NOHL (NASDAQ)

Number of Employees:

1985	N.A.	1982	56
1984	83	1981	52
1983	80		

Plant Footage:

1985	N.A.	1982	19,000
1984	24,000	1981	19,000
1983	19,000		

N.A.–Not Available

Sales and Earnings

	Net Sales	Net Income
1985	$ 5,048,640	$ 544,512
1984	4,210,485	622,276
1983	3,384,232	438,795
1982	2,216,580	216,483
1981	2,152,703	198,304

	No. of Com. Shares +	Earn. per Share #
1985	2,625,186	$ 0.20
1984	2,614,686	0.24
1983	1,975,368	0.21
1982	1,975,368	0.11
1981	1,975,368	0.10

+ Adjusted to reflect stock splits.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	3-for-2 & 2-for-1
1983	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share +
1985	$ 7,074,442	$ 2.69
1984	6,495,080	2.48
1983	1,593,110	0.81
1982	1,143,646	0.58
1981	927,163	0.47

+ Adjusted to reflect stock splits.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 5,048,640	$ 4,210,485
Cost of sales	2,462,599	1,838,770
Expenses	2,135,525	1,606,569
Other income	(418,856)	(313,661)
Interest expense	40,045	37,527
Income before taxes	$ 829,327	$ 1,041,280
Income taxes	284,815	419,004
Net Income	$ 544,512	$ 622,276

* Included in Costs and Expenses, Depreciation and Amortization: $278,668 in 1985 and $161,595 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 3,283,839	$ 3,879,660
Accts. receiv., net	989,841	810,936
*Inventories	2,208,565	1,440,675
Refundable income taxes	70,583	—
Prepaid expenses	49,750	25,513
Current Assets	$ 6,602,578	$ 6,156,784
#Fixed assets	1,433,969	904,560
Bond proceeds	879,038	
Goodwill	524,024	590,889
Other assets	254,018	35,901
Total Assets	$ 9,693,627	$ 7,688,134

Liabilities

Long-term debt, curr	$ 92,322	$ 30,000
Accts. payable	245,994	137,053
Accruals	462,779	427,851
Income taxes payable	—	124,738
Curr. Liabilities	$ 801,095	$ 719,642
Long-term debt	1,762,678	430,000
Deferred inc. taxes	55,412	43,412
+ Common stock	26,252	26,147
Add. paid-in capital	4,550,665	4,515,920
Retained earnings	2,497,525	1,953,013
Total Liabilities & Shareholders' Equity	$ 9,693,627	$ 7,688,134

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.42	24.73
%Net Income to Sales	10.78	14.78
%Net Income to Equity	7.69	9.58
Sales to Inventories	2.28	2.92
Working Capital	$5,801,483	$5,437,142
Current Ratio	8.24	8.56
Shareholders' Equity	$7,074,442	$6,495,080

Northern Telecom Limited

33 City Centre Drive
Mississauga, Ontario L5B 3A2
Canada
(416) 275-0960

Officers: Edmund B. Fitzgerald, chairman, president & chief executive officer; Basil A. Beneteau, vice chairman of the board; Walter C. Benger, exec. v.p.-marketing; Donald A. Chisholm, exec. v.p.-technology & innovation; Charles G. Millar, exec. v.p.-operations; Donald A. Noble, exec. v.p.-finance & administration; Clive V. Allen, sr. v.p.-general counsel; J. Derek M. Davies, sr. v.p.-business development; C. Denis Hall, sr. v.p.-technology; Philip T. Erickson, v.p.-patents & licenses; John D. MacDonald, v.p.-operations manufacturing; R. Brian O'Regan, v.p.-public affairs; Edward J. Pillman, v.p.-business systems; John J. Rankin, v.p.-human resources; Bruce H. Tavner, v.p.; David W. Kendall, Jr., v.p. & treasurer; Stephen A. Holinski, controller; Anthony J. Lafleur, secretary.

Directors: Ian A. Barclay, William O. Beers, Basil A. Beneteau, Owen B. Butler, J.V. Raymond Cyr, A. Jean de Grandpre, Edmund B. Fitzgerald*, Donald S. Harvie, Robert S. Hurlbut*, James W. Kerr, Walter F. Light*, John H. Moore*, Paul F. Oreffice, Charles Perrault, Gerard Plourde, O.C.*, Robert J. Richardson*, Walter M. Robinson, Jr., Donald J. Schuenke, Robert C. Scrivener, William M. Sobey.

* Member of the Executive Committee.

Areas of Work: Electromechanical and electronic analog and digital switching systems; cable systems; optoelectronic systems; channel banks; repeaters; fuses; relays; dryreed relays; power equipment; printed-circuit boards and packs; step-by-step switching systems; sheet metal and piece parts; networks and sensors; residential and business telephones and components; electronic equipment and test sets; analog and digital transmission equipment; multiplex, voice frequency and radio equipment; capacitors; protectors; custom large-scale-integrated circuits; distributed data processing terminals and systems, disks and disk storage devices, video displays, printers, magnetic tape drives, software development, printed circuit boards, on-line terminal systems, remote batch and multifunction terminal systems; private switching networks; test equipment, data communications diagnostic systems, analog and digital private branch exchanges.

Divisions and Subsidiaries:

Bell-Northern Research Ltd.
3500 Carling Avenue
Ottawa, Ontario K1Y 4H7
Canada
(613) 727-2000

BNR Inc.
685A East Middlefield Road
Mountain View, California 94043
(415) 969-9170

Netas-Northern Electric
Telekomunikasyan A.S.
Alemdag Caddesi
Umroniye, Uskudar
Istambul, Turkey

Northern Telecom Data Systems Limited
Maylands Avenue
Hemel Hempstead
Hertfordshire, England HP2 7L

Northern Telecom A.G.
Drahtzugstrasse 18
8008 Zurich, Switzerland

Northern Telecom (Asia) Limited
Keck Seng Tower
133 Cecil Street #15-01
Singapore 0106

Northern Telecom (CALA) Corporation
14701 N.W. 77th Avenue
Miami Lakes, Florida 33014
(305) 558-4858

Northern Telecom Canada Limited
304 The East Mall
Islington, Ontario M9B 6E4
Canada
(416) 232-2000

Northern Telecom Electronics Ltd.
33 City Centre Drive
Mississauga, Ontario L5B 3A2

Northern Telecom Finance Corporation
Metro Centers
Nashville House
1 Vantage Way
Nashville, Tennessee

Northern Telecom Inc.
259 Cumberland Bend
Nashville, Tennessee 37228
(615) 256-5900

Northern Telecom (France) S.A.
185 Avenue Charles-de-Gaulle
F-92200 Neuilly-sur-Seine
France

Northern Telecom (Dublin) Limited
25 St. Stephen's Green
Dublin 2, Republic of Ireland

Northern Telecom Industries Sdn. Bhd.
Bayan Lepas
Free Trade Zone,
Penang, West Malaysia

Northern Telecom (U.K.) Limited
Langton House
Market Street, Maidenhead,
Berkshire, England SL6 8BE

Northern Telecom plc
Berkeley Square House
Berkeley Square
London W1X 5LE
England

Northern Telecom (Ireland) Limited
Industrial Estate
Galway, Republic of Ireland

Northern Telecom International Limited
33 City Centre Drive
Mississauga, Ontario L5B 3A2
Canada
(416) 275-0960

Netas-Northern Electric Telekomunikasyon A.S.
Alemdag Caddesi
Umraniye, Uskudar
Istanbul, Turkey

Northern Telecom AG
Drahtzugstrasse 18
8008 Zurich, Switzerland

Northern Telecom Electronics Limited
33 City Centre Drive
Mississauga, Ontario Canada
L5B 3A2

Northern Telecom Finance Corporation
MetroCenter
Nashville House
One Vantage Way
Nashville, Tennessee 37228

Northern Telecom International Finance B.V.
Daalmeerstraat 4
2131 HC Hoofddorp
Hoofddorp, The Netherlands

Northern Telecom International Inc.
259 Cumberland Bend
Nashville, Tennesse 37228

Northern Telecom Japan Inc.
Akasaka Twin Tower
East Wing, 13F
17-22 Akaska
2-Chome, Minato-Ku
Tokyo-107 Japan

Northern Telcom (NEA) Limited
Kidwells Park House
Kidwells Park Drive
Maidenhead Berkshire, England
SL6 8BE

Transfer Agent(s):

Corporate Offices
800 Place Victoria, Suite 250
Montreal, Quebec, Canada
H4Z IAZ

Corporate Offices
483 Bay Street
Floor 2, South Tower
Toronto, Ontario, Canada
M5G ZEI

Montreal Trust Company
Halifax, Winnipeg, Regina, Calgary & Vancouver, Canada

Manufacturers Hanover Trust Company
New York, New York

Continental Illinois National Bank and Trust Company of Chicago
Chicago, Illinois

The Royal Trust Company
London, England

Stock Exchange(s): Montreal, New York, Toronto, Vancouver, London (U.K.)

Ticker Symbol: NT (New York); NTL (Montreal, Toronto, Vancouver)

Number of Employees:

1984	46,993	1981	35,444
1983	39,318	1980	31,915
1982	34,449		

Plant Footage:

1984	8,085,000 sq. ft.	1983	8,090,000

Sales and Earnings

	Net Sales (000's)	Net Income ‡ (000's)
1984	$ 4,378,600	$ 317,500
1983	3,304,000	268,400
1982	3,035,500	139,400
1981	2,570,875	129,200
1980	2,054,561	(185,100)

	No. of Com. Shares +	Earn. per Share + ‡
1984	115,000,454	$ 2.76
1983	110,926,011	2.42
1982	105,492,399	1.32
1981	103,885,632	1.24
1980	101,385,420	—

(Loss)
+ Based on the average number of shares outstanding adjusted to reflect stock split.
‡ Including extraordinary gains of $41,300,000 ($0.37 per share) in 1983, $7,000,000 ($0.06 per share) in 1982, $16,000,000 ($0.15 per share) in 1981 and extraordinary loss of $163,800,000 ($1.62 per share) in 1980.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.40	—	3-for-1
1982	0.33	—	—
1981	0.33	—	—
1980	0.28	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$1,822,000,000	$ 15.84
1983	1,465,500,000	13.21
1982	1,005,500,000	9.53
1981	851,800,000	8.20
1980	740,700,000	7.31

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 4,378,600	$ 3,304,000
Cost of sales	2,691,100	2,112,000
Expenses	1,213,100	885,500
Other income	(21,300)	(24,400)
Interest expense	66,800	64,800
Unrealized currency gains	(600)	(4,800)
Eq. in earn. of subsid.	(61,500)	(54,200)
Income before taxes	$ 491,000	$ 325,100
Income taxes	157,100	98,000
Net Income	$ 333,900	$ 227,100
Extraord. gain	—	41,300
Net Income & extraord. gain	$ 333,900	$ 268,400

* Included in Costs and Expenses, Depreciation and Amortization: $233,200,000 in 1984 and $161,800,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 94,900	$ 108,300
Accts. receiv., net	1,119,200	749,600
*Inventories	1,144,500	672,800
Prepaid expenses	20,800	11,800
Deferred income taxes	—	31,200
Current Assets	$ 2,379,400	$ 1,573,700
Long-term receiv.	34,300	36,100
Investments	493,900	433,000
#Fixed assets	1,145,300	803,600
Other assets	6,800	26,600
Total Assets	$ 4,059,700	$ 2,873,000

Liabilities
(000's)

	1984	1983
Notes payable	$ 117,900	$ 1,600
Long-term debt, curr.	4,900	3,300
Accts. payable	999,100	774,100
Income taxes	77,500	59,800
Due to non-consol subsid.	13,800	33,400
Res. investment contracts due	24,300	24,500
Current Liabilities	$ 1,237,500	$ 872,200
Long-term debt	132,500	127,300
Non-consolid. subsid.	283,400	281,800
Research investment contracts	11,200	35,700
Minority interest	18,100	13,500
Deferred income	11,800	3,100
Deferred inc. taxes	155,200	73,900
Redeem. pref. stock	388,000	—
+ Common stock	797,800	755,700
Retained earnings	933,000	667,400
For. exch. adjust.	91,200	42,400
Total Liabilities & Shareholders' Equity	$ 4,059,700	$ 2,873,000

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	11.21	9.84
%Net Income to Sales	7.63	6.87
%Net Income to Equity	18.33	15.50
Sales to Inventories	3.83	4.91
Working Capital	$1,141,900,000	$701,500,000
Current Ratio	1.92	1.80
Shareholders' Equity	- $1,822,000,000	$1,465,500,000

Northrop Corporation

1840 Century Park East
Century City
Los Angeles, California 90067-2199
(213) 553-6262

Officers: Thomas V. Jones, chairman of the board & chief executive officer; Frank W. Lynch, president & chief operating officer; John B. Campbell, v.p. & controller; Jaime Oaxaca, v.p. & president-Wilcox Electric, Inc.; Les Daly, v.p.-public affairs; Stanley Ebner, sr. v.p.-government relations; William M. Elliott, sr. v.p. & general counsel; David N. Ferguson, group v.p.-Electronics Systems Group; Joseph T. Gallagher, v.p. & gen. mgr.-Aircraft Division; Welko E. Gasich, executive v.p.-program management; C. Robert Gates, v.p.-international; Sheila M. Gibbons, v.p. & secretary; Gene W. Hauser, v.p. & gen. mgr.-Electronics Division; Donald A. Hicks, sr. v.p.-marketing & technology; Roy P. Jackson, sr. v.p.-operations; L. Bruce James, v.p. & gen. mgr.-Ventura Division; Kent Kresa, group v.p.-Aircraft Group; Milton Kuska, v.p.-F-5 Programs and Aircraft Division marketing, logistic support & F5E/F Programs; Richard B. Lohrer, treasurer; Rex H. Madeira, v.p. and chief executive officer and president, Northrop Worlwide Aircraft Services Inc.; Fred J. Manzella, v.p. & gen. mgr.-Aircraft Services Division; John F. McCarthy, Jr., v.p. & gen. mgr.-Electro-Mechanical Division; William G. McGagh, sr. v.p.-finance; J. William Jenkins, v.p. & president-Northrop Services, Inc.; Ross F. Miller, group v.p.-services group; John Patierno, v.p. & gen. mgr.-Advanced Systems Division; John J. Richardson, v.p.-Human resources; James M. Ricketts, v.p.-operations aircraft group; Wallace C. Solberg, v.p. & gen. mgr.-Defense Systems Division; Joseph Yamron, v.p. & gen. mgr.-Precision Products Division.

Directors: Thomas V. Jones, chairman; William F. Ballhaus*, Richard J. Flamson, III, Ivan A. Getting*, Earle M. Jorgensen, Tom Killefer*, O. Meredith Wilson*, Richard E. Horner, Charles W. Robinson, George T. Scharffenberger, Frank W. Lynch, William G. McCagh, Robert L.J. Long*, Thomas M. McDaniel.

* Member of the Executive Committee.

Divisions:

Aircraft Division
One Northrop Avenue
Hawthorne, California 90250
Aircraft research, development and manufacturing.

Aircraft Services Division
One Northrop Avenue
Hawthorne, California 90250
Aircraft services, support and training.

Advanced Systems Division
8900 E. Washington Boulevard
Pico Rivera, California 90660-3737
Research and development of the USAF Advanced Technology Bomber.

Defense Systems Division
600 Hicks Road
Rolling Meadows, Illinois 60008
Military electronic warfare systems.

Precision Products Division
100 Morse Street
Norwood, Massachusetts 02062
Gyroscopes, accelerometers, and inertial guidance and control systems.

Electronics Division
2301 West 120th Street
Hawthorne, California 90250
Electronics research, development, and manufacturing.

Ventura Division
1515 Rancho Conejo Boulevard
Newbury Park, California 91320
Unmanned aircraft and aircraft sub-assemblies.

Electro-Mechanical Division
500 East Orangethorpe Avenue
Anaheim, California 92801
Electronic/passive sensor systems.

Northrop Research and Technology Center
One Research Park
Rancho Palos Verdes, California 90274
Advanced technology research programs.

Subsidiaries:

Northrop Services, Inc.
175 Freedom Way
Anaheim, California 92801
Managerial and technical support services.

Northrop Worldwide Aircraft Services, Inc.
21 Northwest 44th Street
Lawton, Oklahoma 73505
Aircraft maintenance and base support services.

Wilcox Electric, Inc.
2001 North East 46th Street
Kansas City, Missouri 64116
Ground-based air navigation and instrument landing systems.

Construcciones Aeronauticas, S.A. (casa) (13.2% owned)
Calle del Rey Francisco, 4, Apartado 193
Madrid, 28008, Spain
Military and commercial aircraft development and manufacturing.

Electronica Basica, S.A. (9.3% owned)
Carretera Nal., 2, KM 583'8 Esparraguera
Barcelona, Spain
Printed circuit boards.

N.V. Koninklijke Nederlandse Vliegtuigenfabriek
Fokker (20% owned)
P.O. Box 12222
1100 AE, Amsterdam-Zuidoost
The Netherlands
Commercial and military aircraft development and manufacturing.

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: NOC

Number of Employees:

1984	41,500	1981	31,400
1983	37,200	1980	30,200
1982	35,500		

Plant Footage*:

1984	15,800,000 sq.ft.	1981	12,839,000
1983	14,600,000	1980	11,605,000
1982	14,278,000		

* Includes U.S. Government-owned facilities used by Northrop Corporation.

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 3,687,800	$ 166,900
1983	3,260,600	100,700
1982	2,472,900	5,400
1981	1,990,700	47,900
1980	1,655,400	86,100

	No. of Com. Shares #	Earn. per Share #
1984	45,900,000	$ 3.63
1983	45,600,000	2.21
1982	45,300,000	0.12
1981	43,400,000	1.10
1980	43,800,000	2.01

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Aircraft	$ 2,562,100	$ 2,123,300
Electronics/ Communications	758,500	685,200
Construction	—	7,100
Services	422,000	458,100
Interseg. elim.	(56,500)	(19,600)
Total	$ 3,686,100	$ 3,254,100

Northrop Corporation

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.90	—	3-for-1
1983	0.60	—	—
1982	0.60	—	—
1981	0.60	—	—
1980	0.60	—	—

#Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 724,800,000	$ 15.79
1983	576,900,000	12.65
1982	493,900,000	10.90
1981	507,000,000	11.68
1980	482,400,000	11.27

+ Based on the average number of common shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,687,800	$ 3,260,600
Cost of sales	3,444,400	3,120,100
Other income	(6,100)	(26,500)
Interest expense	7,800	15,300
Capitalized interest	(300)	(1,000)
Income bef. taxes	$ 242,000	$ 152,700
Income taxes	75,100	52,000
Net Income	$ 166,900	$ 100,700

* Included in Costs and Expenses, Depreciation and Amortization: $138,100,000 in 1984 and $109,800,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash items	$ 3,700	$ 60,200
Accts. receiv., net	306,700	205,400
*Inventories	418,000	301,000
Prepaid expenses	15,000	10,700
Current Assets	$ 743,400	$ 577,300
Investments	22,700	11,900
#Fixed assets	1,171,000	973,400
Other assets	19,400	33,400
Total Assets	$ 1,956,500	$ 1,596,000

Liabilities
(000's)

	1984	1983
Notes payable	$ 43,400	$ —
Accts. payable	233,700	214,100
Adv. on contracts	187,000	192,700
Accrued compensation	149,900	133,100
Income taxes	356,800	281,000
Other liabilities	175,100	108,600
Curr. Liabilities	$ 1,145,900	$ 930,300
Long-term obligations	39,400	39,600
Deferred inc. taxes & credits	46,400	49,200
+ Common stock	150,700	133,300
Retained earnings	596,700	471,100
Unvested employee restricted shares	(22,600)	(27,500)
Total Liabilities & Shareholders' Equity	$ 1,956,500	$ 1,596,000

* At lower of average cost or market.
# Less accumulated depreciation & amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.56	4.68
%Net Income to Sales	4.53	3.09
%Net Income to Equity	23.03	17.46
Shareholders' Equity	$724,800,000	$576,900,000

Northwest Industries, Inc.

6300 Sears Tower
Chicago, Illinois 60606
(312) 876-7000

Officers: Ben W. Heineman, chairman & chief executive officer; William Howard Beasley, III, president & chief operating officer; Henry L. Dykema, v.p.-corp. development; Thomas A. Cole, v.p.-law; Raymond J. Epich, v.p.-management information services; Bernard Firestone, sr. v.p. & treasurer; Marcia Lewis, v.p.-human resources; Gerald L. Nordstrom, v.p.-taxes & tax counsel; Brendan M. O'Neill, v.p.-finance; Daniel P. Casey, v.p.-treasury operations; Joseph W. Shenton, v.p.-corporate relations; R.J. Hill, secretary; Ellis A. Brock, asst. secretary; John S. Vanecko, controller.

Directors: Thomas G. Ayers*, William Howard Beasley, III*, James F. Bere*, Gaylord Freeman*, William B. Graham*, John D. Gray*, Ben W. Heineman*, Thomas S. Hyland*, Everett J. Moore, James E. Devitt*, George A. Wilson.

* Member of the Executive Committee

Areas of Work: The Company is engaged in the manufacture of electrical and electronic connectors through its Microdot, Inc., subsidiary. Universal Manufacturing produces lamp ballasts and General Battery Corporation manufactures automotive replacement and industrial batteries and battery chargers. Other areas of work include the manufacture of boots, men's and children's underwear, agricultural chemicals and resins, steel tubing, and an investment in oil and gas drilling programs.

Divisions and Subsidiaries:

Union Underwear Company, Inc.
Bowling Green, Kentucky

Acme Boot Company, Inc.
Clarksville, Tennessee

General Battery Corporation
Reading, Pennsylvania

Velsicol Chemical Corporation
Chicago, Illinois

Universal Manufacturing Corporation
Paramus, New Jersey

NWT Natural Resources Co.
Chicago, Illinois

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 W. 33rd Street
New York, New York 10001

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Pacific

Ticker Symbol: NWT

Sales and Earnings

	Net Sales †	Net Income
1984	$1,431,900,000	$ 77,500,000
1983	1,337,400,000	(80,400,000)
1982	1,282,500,000	184,600,000
1981	1,388,900,000	278,800,000
1980	1,207,600,000	155,400,000

	No. of Com. Shares +	Earn. per Share +
1984	20,100,000	$ 3.75
1983	19,700,000	—
1982	20,700,000	8.75
1981	29,300,000	9.40
1980	30,100,000	5.03

(Loss)
† Of continuing operations only.
+ Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Consumer soft goods	$ 737,100,000	$ 682,500,000
Batteries	266,200,000	255,700,000
Chemical & electrical	411,900,000	390,400,000
Corp. & Other	16,700,000	8,800,000
Total	$1,431,900,000	$1,337,400,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.68	—	—
1983	2.68	—	—
1982	2.68	—	—
1981	2.68	—	—
1980	2.28	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 570,200,000	$ 28.66
1983	602,800,000	30.46
1982	740,400,000	37.53
1981	1,021,100,000	40.94
1980	959,400,000	32.06

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,431,900	$ 1,337,400
Cost of sales	982,600	931,900
Expenses	251,700	241,900
Special charges	—	84,800
Interest expense	47,100	44,400
Other income	(4,400)	(2,500)
Income before taxes	$ 154,900	$ 36,900
Income taxes	72,800	26,600
Inc.-cont. oper.	$ 82,100	$ 10,300
Loss-discont. oper.	(4,600)	(90,700)
Net Income (Loss)	$ 77,500	$ (80,400)

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $57,000,000 in 1984 and $51,400,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 93,100	$ 110,700
Accts. & notes receiv., net	130,600	154,900
*Inventories	252,600	242,700
Income taxes receivable	7,900	—
Other curr. assets	18,800	17,000
Current Assets	$ 503,000	$ 525,300
#Fixed assets	321,500	301,000
Assets of discont. oper.	430,300	500,800
Other assets	270,400	314,400
Total Assets	$ 1,525,200	$ 1,641,500

Liabilities
(000's)

	1984	1983
Long-term debt to be prepaid	$ —	$ 50,000
Long-term debt, curr	36,500	20,900
Accts. payable	65,600	74,800

Accrued payroll	23,900	19,500
Dividends & interest payable	22,900	36,700
Accrued taxes	12,400	21,800
Other accruals	109,200	114,500
Curr. Liabilities	$ 270,500	$ 338,200
Long-term debt	418,800	450,500
Deferred inc. taxes	215,200	171,800
Other liabilities	23,400	43,500
+ Redeemable preferred stock	27,100	34,700
+ Common stock	216,500	211,600
Retained earnings	409,700	396,700
Loss in market. secur	(48,400)	—
Curr. trans. adjust	(7,600)	(5,500)
Total Liabilities & Shareholders' Equity	$ 1,525,200	$ 1,641,500

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

% Net Income to Equity	13.59	—
Sales to Inventories	5.67	5.51
Working Capital	$232,500,000	$187,100,000
Current Ratio	1.86	1.55
Shareholders' Equity	$570,200,000	$602,800,000

Nuclear Data, Inc.

Hamilton Lake Office Park
500 Park Boulevard
Itasca, Illinois 60143
(312) 773-0200

Officers: Richard J. Sandberg, president and chief executive officer; Harold E. Tellefsen, senior vice president; Gerald W. Gaughran, v.p.-engineering; C. Stewart Havens, v.p.-finance, secretary and treasurer; Raymond C. Master, Loren G. Pieper, Albert E. Puhlman, Jr., v.p.'s.

Directors: Richard J. Sandberg, Richard A. Virzi, Harold E. Tellesfsen, James A. Lynch, George K. Hendrick, Jr., C. Stewart Havens, Michael P. McPhee, Edwin S. Schweig.

Areas of Work: Manufactures and markets computer systems for the identification and quantification of nuclear radiation and related phenomena. Provides consulting services and mechanical and electronic systems for the nuclear power industry. Also produces printed circuit boards, for use in business machines, instrumentation, and communications.

Subsidiaries:

Metropolitan Circuits Incorporated, of California
Santa Ana, California 92626
Manufactures and markets printed circuit boards.

Nuclear Data Power Division
2734 S. Cobb Industrial Blvd
Smyrna, Georgia 30080
Nuclear instrumentation and consulting company.

Metropolitan Circuits Incorporated, of Illinois
2706 Edgington Street
Franklin Park, Illinois 60131
Manufactures and markets printed circuit boards.

Nuclear Data, Instrumentation ND
Frankfurt, West Germany
Sales and service subsidiary.

Nuclear Data (U.K.)
Bourne End, England
Sales and service branch office.

Nuclear Data Instruments AB
Uppsala, Sweden
Marketing subsidiary.

Nuclear Data Instrumentation Division
Schaumburg, Illinois

Molsgaard Medical AS
Copenhagen, Denmark

ASTA/Advanced Science & Technology Associates
San Diego, California

Transfer Agent(s):

LaSalle National Bank
135 South LaSalle Street
Chicago, Illinois 60603

Stock Exchange(s): American

Ticker Symbol: NDI

Number of Employees:

1984	794	1981	767
1983	675	1980	700
1982	725		

Sales and Earnings

	Net Sales	Net Income ‡
1985	$ 65,272,000	$ 1,926,000
1984	45,172,000	(2,182,000)
1983	46,686,000	(994,000)
1982	47,501,000	2,252,000
1981	41,400,000	1,708,000

	No. of Com. Shares #	Earn. per Share #‡
1985	2,015,000	$ 0.96
1984	1,702,000	—
1983	1,695,000	—
1982	1,697,000	1.33
1981	1,692,005	1.01

(Loss)

‡ Including extraordinary credit of $1,000,000 ($0.59 per share) in 1982.

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1985	1984
Printed circuit boards	$ 38,862,000	$ 29,236,000
Instrumentation	26,410,000	15,936,000
Total	$ 65,272,000	$ 45,172,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$ —	—	—
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share #
1985	$ 17,703,000	$ 8.79
1984	14,320,000	8.41
1983	16,450,000	9.71
1982	17,384,000	10.24
1981	15,063,000	8.90

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Feb. 28	1985	1984
Net sales	$ 65,272,000	$ 45,172,000
Other income	2,447,000	2,066,000
Total Income	$ 67,719,000	$ 47,238,000
Cost of sales	44,858,000	33,618,000
Expenses	16,240,000	14,485,000
Research & develop.	1,898,000	1,695,000
Interest expense	1,305,000	971,000
Provision for losses	316,000	—
Income (loss) bef. taxes	$ 3,102,000	$ (3,531,000)
Income taxes (credit)	1,176,000	(1,349,000)
Net Income (Loss)	$ 1,926,000	$ (2,182,000)

* Included in Costs and Expenses, Depreciation, and Amortization: $1,731,000 in 1985 and $1,723,000 in 1984.

Assets

As of Feb. 28	1985	1984
Cash	$ 2,164,000	$ 357,000
Recov. inc. taxes	527,000	1,316,000
Accts. receiv., net	16,404,000	11,682,000
Notes receivable	—	1,153,000
*Inventories	7,464,000	7,387,000
Deferred inc. taxes	—	1,103,000
Prepaid expenses & sundry accts.	1,331,000	1,139,000
Current assets	$ 27,890,000	$ 24,137,000
#Fixed assets	9,765,000	9,222,000
Other assets	4,528,000	2,428,000
Total Assets	$ 42,183,000	$ 35,787,000

Liabilities

Note payable	$ 68,000	$ 672,000
Long-term debt, curr	1,073,000	480,000
Accts. payable	4,779,000	4,576,000
Accruals	4,770,000	4,149,000
Income taxes	—	190,000
Deferred income taxes	538,000	—
Curr. Liabilities	$ 11,228,000	$ 10,067,000
Long-term debt	11,798,000	8,734,000
Capital lease oblig	125,000	176,000
Deferred inc. taxes	1,329,000	1,525,000
Redeem. common stock	—	965,000
+ Common stock	976,000	877,000
Add. paid-in capital	10,475,000	9,155,000
Retained earnings	6,785,000	4,859,000
Deferred compensation	(466,000)	(571,000)
Translation adj	(67,000)	—
Total Liabilities & Shareholders' Equity	$ 42,183,000	$ 35,787,000

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

% Income bef. Taxes to Sales	4.75	—
% Net Income to Sales	2.95	—
% Net Income to Equity	10.88	—
Sales to Inventories	8.74	6.12
Working Capital	$16,662,000	$14,070,000
Current Ratio	2.48	2.40
Shareholders' Equity	$17,703,000	$14,320,000

Oak Industries Inc.

16935 West Bernardo Drive
Rancho Bernardo, California 92127
(714) 485-9300

Officers: E.L. McNeely, chairman of the board & chief exec. officer; Frank A. Astrologes, exec. v.p.-operations & chief financial officer; K. Sami Khadder, corp. devel.; Michael R. Maury, v.p. & controller; Thomas C. Runge, sr. v.p.-administraton & treasurer; Walter H. Kerr, sr. v.p.-components; Charles B. Radloff, sr. v.p.-communications; Bissell J. Smith, sr. v.p.-materials; Monty A. Houdeshell, v.p.-financial planning and analysis; S. James Miller, Jr. v.p., asst. secretary & sr. attorney; James J. Morrow, v.p.-new ventures; E. Jeanne Hamm, secretary.

Directors: E.L. McNeely, chairman; Frank A. Astrologes, Raymond W. Peirce, Franklin A. Cole*, Richard C. Atkinson, James F. Calvert, E.L. McNeely*, Lawrence H. Rogers, II, Bernard Schwartz, Roderick M. Hills.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Oak Technology Inc.
Crystal Lake, Illinois

Oak Switch Systems Inc.
Crystal Lake, Illinois 60014
Rotary, pushbuttons, keyboard, appliance and lever switches; relays and solenoids.

Oak Industries Inc.

Techno Components Corp.
7803 Lemona Avenue
Van Nuys, California 91405
Miniature wirewound and non-wirewound potentiometers.

McCoy Electronics Company
Mt. Holly Springs, Pennsylvania 17065
Mercersburg, Pennsylvania 17236
High-frequency and low-frequency crystals, crystal filters, oscillators and related devices for frequency control and selection.

O/E/N India Limited (45% owned)
Cochin Kerala, India
Switches, relays and potentiometers.

Fluroglas Division
Hoosick Falls, New York 12090
PTFE coated substrates (glass reinforced tapes; pressure sensitive tapes, sheet materials, belts, coated yarns) extruded PTFE film.

Oak Industries Korea Ltd. (50% owned)
Seoul, Korea
Phenolic paper and epoxy glass electrical grade laminates.

Oak Materials Taiwan Ltd. (70% owned)
Taipei, Taiwan
Phenolic and epoxy laminates.

Oak-Mitsui Inc.
Hoosick Falls, New York 12090
Electro-deposited copper foil.

Oak Laminates Division
Franklin, New Hampshire
Hoosick Falls, New York
Standard rigid epoxy laminates, adhesive coated copper foil and other materials for flexible circuits, multilayer materials and microwave electric materials.

Oak Industries Hong Kong Ltd.
Hong Kong, B.C.C.

Oak Japan Limited
Tokyo, Japan

Harper-Wyman Company
Hinsdale, Sterling & Princeton, Illinois
Gas controls and components; electric range controls, gas grills.

Oak Materials Group, Inc.
Hoosick Falls, New York 12090

Diamond H. Controls Ltd.
Volcan Road North
Norwich, NOR 85N
Norfolk, England
Thermostats; energy regulators; thermal switches; relays, time delay units and solenoids, rotary and toggle switches, snap-in-devices, rotary, lever, moduline switches; indicator lights, electronic temperature and process controls.

Oak Communications Inc.
Rancho Bernardo, California

Heller-Oak Communications Finance Corp.
(50% owned)
105 West Adams Street
Chicago, Illinois 60603
Crystal Lake, Illinois
Purchase or lease-type financing program for the communications industry.

Oak Broadcasting Systems, Inc. (50% owned)
Glendale, California

Oak East Industries Ltd.
Taipei, Taiwan
Manufactures pay-television decoders and cable television converters.

Oak Research and Engineering Center
Dordrecht, Holland

Oak System of Australia (Pty.) Limited
North Sydney, Australia

Oak Technology Center
Rancho Bernardo, California

Asia Pacific Resin Corporation
Taipei, Taiwan, Republic of China

Oak Industrial Materials Limited
Taipei, Taiwan, Republic of China

Satellite Systems Division
Crystal Lake, Illinois

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest

Ticker Symbol: OAK

Number of Employees:

1984	8,489	1981	13,529
1983	9,514	1980	11,434
1982	11,985		

Plant Footage:

1984	2,095,904 sq. ft	1981	2,600,000
1983	N.A.	1980	2,078,168
1982	2,600,000		

N.A. - Not Available.

Sales and Earnings ‡

	Net Sales	Net Income
1984	$ 333,244,000	$ (149,250)
1983	320,172,000	(122,113)
1982	397,001,000	(39,897)
1981	385,592,000	30,350
1980	309,571,000	20,082

	No. of Com. Shares #	Earn. per Share #
1984	16,356,657	$ —
1983	16,334,842	—
1982	16,287,116	—
1981	13,584,256	2.23
1980	10,797,380	1.85

(Loss)
‡ Restated to reflect revision of financial statements in connection with SEC investigation relating to loss reserves.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.06	—	—
1982	0.24	—	—
1981	0.24	—	—
1980	0.20	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity †	Equity Per Share ‡
1984	$ (59,183,000)	$ —
1983	84,956,000	5.20
1982	208,552,000	12.80
1981	260,465,000	19.17
1980	157,197,000	14.56

† After allowing for preferred stock at redemption value of $25 per share for Series C.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983 ‡
Net sales	$ 333,244	$ 320,172
Cost of sales	256,650	268,856
Expenses	88,110	84,054
Prov. for restruc.	49,352	—
Interest expense	31,193	33,186
Interest income	(2,928)	(4,081)
Other expense (income	215	(326)
Loss before taxes	$ (89,348)	$ (61,517)
Income taxes	6,176	4,038
Loss - cont. oper.	$ (95,524)	$ (65,555)
Loss - discont. oper.	(53,726)	(56,558)
Net Loss	$ (149,250)	$ (122,113)

‡ Restated.
* Included in Costs and Expenses, Depreciation and Amortization: $22,643,000 in 1984 and $26,212,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983 ‡
Cash	$ 6,836	$ 10,204
Marketable securities	8,977	17,761
Receiv., net	56,154	92,857
*Inventories	75,487	90,274
Prog. rights & film inventories	—	14,940
Current Assets	$ 147,454	$ 226,036
Investments	9,177	25,241
#Fixed assets	91,195	124,448
Notes receiv.	6,818	7,450
Prepaid exp. & other assets	6,783	8,454
Intangibles	420	50,935
Subscrip. tele. develop. costs	—	2,918
Cert. of deposit	3,867	871
Patents	3,881	4,211
Assets of disc. oper.	15,476	—
Total Assets	$ 285,071	$ 450,564

Liabilities

Notes payable	$ 1,809	$ 3,488
Long-term debt, curr.	2,069	4,254
Accts. payable	22,167	28,628
Accruals	73,979	65,204
Prepayments	—	8,558
Film & sports licenses	—	15,880
Curr. Liabilities	$ 100,024	$ 126,012
Long-term debt	224,816	227,085
Minority interest	2,444	2,343
Deferred compensation & accrued pensions	9,774	8,845
Deferred inc. taxes	540	876
Acrued interest	6,425	—
Other liabilities	25	224
+ Preferred stock Series C	41	45
+ + Common stock	16,448	16,428
Add. paid-in capital	159,885	159,588
Retained earnings (deficit)	(226,438)	(77,165)
Cum. trans. adjust.	7,651	(12,454)
Notes receiv. - stock sale	(1,236)	(1,236)
Treasury stock	(26)	(27)
Total Liabilities & Shareholders' Equity	$ 285,071	$ 450,564

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $5 stated value; cumulative convertible.
+ + $1 par value.

Statistical Summary

Sales to Inventories	4.41	3.55
Working Capital	$47,430,000	$100,024,000
Current Ratio	1.47	1.79
Shareholders' Equity (Deficiency)	$(58,977,000)	$ 85,179,000

The Ohmart Corporation

4241 Allendorf Drive
P.O. Box 9026
Cincinnati, Ohio 45209
(513) 272-0131

Officers: Carl K. Gieringer, chairman of the board & president; Thomas E. Dewey, executive vice president; Lou Cook, v.p.; Paul Sieck, v.p.-manufacturing; James J. Guthrie, Jr., v.p.-sales & marketing; Syndor I. Davis, assistant secretary; Wm. G. Dorna, secretary & treasurer.

Directors: Nicholas Bauer, Carl F. Evert, Carl K. Gieringer, C. Ross Whiting, Lewis M. Crowe, Estelle Gieringer, Edward C. Pandorf, Thomas E. Dewey.

Areas of Work: Produces beta thickness gauges, conveyor scales, nuclear and electronic measuring devices used in process control.

Transfer Agent(s):

The First National Bank of Cincinnati
5th and Walnut Streets
Cincinnati, Ohio 45202

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	150	1981	155
1983	155	1980	150
1982	155		

Plant Footage:

1984	61,000 sq. ft.	1981	61,000
1983	61,000	1980	61,000
1982	61,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 8,377,473	$ 391,189
1983	7,396,621	266,499
1982	8,194,923	517,140
1981	7,581,266	546,654
1980	6,037,548	339,292

	No. of Com. Shares	Earn. per Share
1984	123,238	$ 3.17
1983	123,238	2.16
1982	123,238	4.20
1981	123,238	4.44
1980	123,238	2.75

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.40	—	—
1982	0.40	—	—
1981	0.40	—	—
1980	.0.25	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 4,597,102	$ 37.30
1983	4,267,532	34.63
1982	4,050,328	32.87
1981	3,582,483	29.07
1980	3,095,200	25.12

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 8,377,473	$ 7,396,621
Other income	239,094	173,923
Total Income	$ 8,616,567	$ 7,570,544
Cost of sales	4,100,931	3,651,437
Expenses	3,776,978	3,505,051
Interest expense	64,469	99,557
Income before taxes	$ 674,189	$ 314,499
Income taxes	283,000	48,000
Net Income	$ 391,189	$ 266,499

* Included in Costs and Expenses, Depreciation and Amortization: $225,668 and in 1984 and $252,732 in 1983.

Assets

As of Nov. 30	1984	1983
Cash & temporary cash investments	$ 1,091,854	$ 1,180,096
Marketable secur.	465,279	289,500
Accts. receiv., net	1,511,301	1,192,708
*Inventories	1,898,096	1,804,861
Prepaid expenses	7,197	11,262
Refundable income taxs	—	85,000
Deferred inc. taxes	79,000	—
Current Assets	$ 5,052,727	$ 4,563,427
#Fixed assets	1,332,477	1,462,974
Other assets	31,680	43,480
Total Assets	$ 6,416,884	$ 6,069,881

Liabilities

	1984	1983
Long-term debt, curr.	$ 82,436	$ 318,709
Accts. payable	201,506	172,928
Accruals	517,134	437,109
Advance payments	286,627	422,647
Income taxes	365,759	15,700
Curr. Liabilities	$ 1,453,462	$ 1,367,093
Long-term debt	340,320	422,756
Deferred taxes	26,000	12,500
+ Common stock	146,568	146,568
Add. paid-in capital	283,574	283,574
Retained earnings	4,166,960	3,837,390
Total Liabilities & Shareholders' Equity	$ 6,416,884	$ 6,069,881

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	8.05	4.25
%Net Income to Sales	4.67	3.60
%Net Income to Equity	8.51	6.24
Sales to Inventories	4.41	4.10
Working Capital	$3,599,265	$3,196,334
Current Ratio	3.48	3.34
Shareholders' Equity	$4,597,102	$4,267,532

Optical Radiation Corporation

1300 Optical Drive
Azusa, California 91702
(818) 969-3344

Officers: Richard D. Wood, chairman of the board & president; John N. Wilkinson, group v.p. industrial & scientific products; Horst Funfstuck, group v.p.-vision care products; Glenn Berggren, v.p.-marketing, optical systems; R.J. McMullen, v.p.-finance & treasurer; Martin Levy, v.p.-legal & administration.

Directors: Richard D. Wood, chairman; John N. Wilkinson, Louis W. Biegler, Vernon H. Blackman, Roland Seidler, Jr., Frank D. Wood, Horst Funfstuck, William G. Salatich.

Areas of Work: Designs and manufactures a wide variety of precision optical components and optical systems for medical, industrial, and scientific applications. Products include ophthalmic lenses, optical projection systems, high-intensity light sources, and precision metal optics.

Divisions and Subsidiaries:

Omega Optical Co.
Precision Optics, Inc.
Milroy Optical, Inc.
Arizona State Optical, Inc.

Theater and Audio-Visual Division
Electroforming Division
IOL Division
Electronic Products Division
Lamp Division
Optometrics Division
Orcolite Division

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 60228
Terminal Annex
Los Angeles, California 90060

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ORCO (NASDAQ)

Number of Employees:

1984	585	1982	334
1983	474	1981	353

Plant Footage:

1984	161,000 sq. ft.	1982	161,000
1983	161,000	1981	161,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 48,260,000	$ 7,850,000
1983	26,656,177	3,086,154
1982	18,554,718	1,234,129
1981	17,234,809	1,514,686
1980	15,231,555	1,308,002

	No. of Com. Shares #	Earn. per Share #
1984	7,496,000	$ 1.05
1983	6,616,480	0.47
1982	5,870,852	0.21
1981	5,848,936	0.26
1980	5,818,256	0.22

Based on the weighted average number of common shares and common share equivalent outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1 & 2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 41,399,000	$ 5.86
1983	31,528,255	4.59
1982	11,679,086	2.00
1981	10,437,042	1.79
1980	8,766,720	1.53

‡ Adjusted to reflect stock splits.

Income Account *

Year ended July 31	1984	1983
Net sales	$ 48,260,000	$ 26,656,177
Cost of sales	18,490,000	12,749,310
Expenses	16,496,000	8,595,971
Interest income	(1,107,000)	(563,903)
Interest expense	150,000	165,645
Income before taxes	$ 14,231,000	$ 5,709,154
Income taxes	6,381,000	2,623,000
Net Income	$ 7,850,000	$ 3,086,154

* Included in Costs and Expenses, Depreciation and Amortization: $824,000 in 1984 and $581,000 in 1983.

Assets

As at July 31	1984	1983
Cash & short-term invest.	$ 18,618,000	$ 18,715,879
Accts. receiv., net	9,373,000	6,556,814
*Inventories	9,103,000	6,971,377
Prepaid inc. taxes	2,066,000	—
Prepaid expenses	403,000	226,038
Current Assets	$ 39,563,000	$ 32,470,108
#Fixed assets	12,539,000	7,207,742
Other assets	351,000	326,360
Total Assets	$ 52,453,000	$ 40,004,210

Optical Radiation Corporation

Liabilities

Long-term debt, curr.	$ 40,000	$ 36,684
Notes payable	527,000	—
Accts. payable	1,270,000	1,424,127
Accruals	2,542,000	1,537,271
Accrued payroll	2,598,000	1,788,585
Income taxes payable	2,554,000	1,109,580
Curr. Liabilities	$ 9,531,000	$ 5,896,247
Deferred income taxes	—	1,016,349
Long-term debt	1,523,000	1,563,359
+ Common stock	3,532,000	3,437,987
Add. paid-in capital	19,460,000	17,533,133
Retained earnings	18,407,000	10,557,135
Toal Liabilities & Shareholders' Equity	$ 52,453,000	$ 40,004,210

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value

Statistical Summary

% Income bef. Taxes to Sales	29.49	21.42
% Net Income to Sales	16.27	11.58
% Net Income to Equity	18.96	9.79
Sales to Inventories	5.30	3.82
Working Capital	$30,032,000	$26,573,861
Current Ratio	4.15	5.51
Shareholders' Equity	$41,399,000	$31,528,255

Orion Research Incorporated

840 Memorial Drive
Cambridge, Massachusetts 02139
(617) 864-5400

Officers: Alexander Jenkins, III, president and chief exec. officer; Albert Diggens, v.p.-marketing; Anderson Kurtz, v.p.-personnel; Howard J. Langejans, v.p.-sales; James W. Ross, Jr., v.p.-research; Peter W. Smith, v.p.-finance & treasurer; Bernard Stein, v.p.-product development; James D. Wiltshire, v.p.-operations; H. Kenneth Fish, clerk; Susan F. Stewart, asst. clerk.

Directors: James W. Ross, Jr., Alexander Jenkins, III, Louis B. Barnes, David A. Hatch, William M. Karlyn, Robert B. Schmidt, William J. Kennedy, Richard D. Condon.

Areas of Work: Manufactures specific ion electrodes, digital and analog pH meters and specific ion meters, and related electronic instruments used to analyze chemical solutions and to display and record the resulting data. Also manufactures syringe and tubing pumps employed for various scientific, industrial and medical purposes and a line of stat blood analyzers for use in hospitals.

Subsidiaries:

Orion Research Puerto Rico, Inc.
Rio Pedras, Puerto Rico
Manufacturer of chemical sensors (electrodes) and related products.

Orion Research AG
Kusnacht, Switzerland

Orion Resdel Corporation
Rio Grande, New Jersey
Manufactures centrifugally cast epoxy tubing.

Orion Scientific Instruments Corp.
Pleasantville, New York

Orion Research Far East, Inc.
Morrison Hill Road
Hong Kong

Transfer Agent(s):

The Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ORIR (NASDAQ)

Number of Employees:

1984	434	1981	447
1983	432	1980	501
1982	410		

Plant Footage:

1984	N.A.	1981	117,000
1983	N.A.	1980	99,000
1982	117,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 26,131,000	$ 426,000
1983	25,591,000	1,714,000
1982	22,555,000	(321,000)
1981	20,712,000	(377,000)
1980	19,312,000	1,179,000

	No. of Com. Shares	Earn. per Share ‡ ×
1984	1,197,783	$ 0.35
1983	1,156,095	1.47
1982	1,112,026	—
1981	1,095,927	—
1980	1,065,328	1.09

(Loss)
‡ Including extraordinary credit of $90,000 ($0.08 per share) in 1983.
× Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 10,038,000	$ 8.38
1983	9,219,000	7.97
1982	7,154,000	6.43
1981	7,383,000	6.74
1980	7,566,000	7.10

Income Account *

Year ended March 31	1984	1983
Net sales	$ 26,131,000	$ 25,591,000
Cost of sales	12,505,000	12,151,000
Expenses	12,848,000	11,130,000
Interest expense	308,000	356,000
Interest income	(227,000)	(149,000)
Income before taxes	$ 697,000	$ 2,103,000
Income taxes	271,000	479,000
Net Income	$ 426,000	$ 1,624,000
Extraordinary gain	—	90,000
Net Income & extraord. gain	$ 426,000	$ 1,714,000

* Included in Costs and Expenses, Depreciation and Amortization: $666,000 in 1984 and $634,000 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 2,518,000	$ 1,710,000
Accts. receiv., net	5,960,000	6,138,000
*Inventories, net	5,829,000	5,990,000
Prepaid expenses	539,000	217,000
Current Assets	$ 14,846,000	$ 14,055,000
Notes receiv.	125,000	216,000
#Fixed assets	2,620,000	2,591,000
Intangible	252,000	—
Total Assets	$ 17,843,000	$ 16,862,000

Liabilities

Long-term debt, curr.	$ 1,064,000	$ 55,000
Accts. payable	1,422,000	1,572,000
Accruals	2,338,000	1,968,000
Income taxes	899,000	791,000
Curr. Liabilities	$ 5,723,000	$ 4,386,000
Long-term debt	1,000,000	2,000,000
Cap. lease oblig.	95,000	157,000
Deferred gain	987,000	1,100,000
+ Common stock	120,000	116,000
Add. paid-in capital	3,421,000	3,025,000
Retained earnings	6,504,000	6,078,000
Treasury stock	(7,000)	—
Total Liabilities & Shareholders' Equity	$ 17,843,000	$ 16,862,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	2.67	8.22
% Net Income to Sales	1.63	6.35
% Net Income to Equity	4.24	17.62
Sales to Inventories	4.48	4.27
Working Capital	$ 9,123,000	$9,669,000
Current Ratio	2.59	3.20
Shareholders' Equity	$10,038,000	$9,219,000

Orrox Corporation

3303 Scott Bôulevard
Santa Clara, California 95050
(408) 988-2000

Officers: Philip B. Arenson, chairman & chief executive officer; Allan J. Behr, exec. v.p.; Joe W. Drummond, v.p.; Michael J. Freire, secretary.

Directors: Philip B. Arenson, Michael H. Gault, Allan J. Behr, E. Laurence Gay, Alfred O.P. Leubert, Burton I. Lippman, John H. Picou, Leon Weissman.

Areas of Work: Engaged in the design, manufacture and installation of computer-assisted videotape editing systems for network television facilities, educational and commercial television stations, governmental agencies, and post-production facilities that provide editorial services in support of television broadcast operations.

Divisions:

CMX Systems
3303 Scott Boulevard
Santa Clara, California 95050
(408) 988-2000

Transfer Agent(s):

Bank of America
Corporate Agency Service Center
San Francisco, California 94137

Stock Exchange(s): American

Ticker Symbol: ORR

Sales and Earnings

	Net Sales +	Net Income +
1983	$ 10,033,000	$ (1,390,000)
1982	11,433,000	(4,915,000)
1981	10,775,000	(320,000)
1980	8,438,000	171,000
1979	7,668,000	1,001,000

	No. of Com. Shares	Earn. per Share †
1983	2,286,000	$ —
1982	2,249,000	—
1981	2,170,000	—
1980	1,769,000	0.10
1979	1,660,000	0.58

(Loss)
+ Of continuing operations only.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 1,440,000	$ 0.63
1982	2,060,000	0.92
1981	6,075,000	2.80
1980	4,231,000	2.39
1979	4,062,000	2.45

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 10,033,000	$ 11,433,000
Cost of sales	5,686,000	6,965,000
Expenses	5,430,000	7,025,000
Loss on curtailment of Satcom	—	2,292,000
Interest income	(3,000)	(57,000)
Interest expense	310,000	123,000
Net Loss	$ (1,390,000)	$ (4,915,000)

* Included in Costs and Expenses, Depreciation and Amortization: $402,000 in 1983 and $544,000 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 46,000	$ 72,000
Accts. receiv., net	2,868,000	2,093,000
*Inventories	2,637,000	2,715,000
Prepaid expenses	54,000	56,000
Current Assets	$ 5,605,000	$ 4,936,000
#Fixed assets	994,000	1,244,000
Other assets	296,000	53,000
Total Assets	$ 6,895,000	$ 6,233,000

Liabilities

	1983	1982
Notes payable	$ 87,000	$ 1,050,000
Accts. payable	2,162,000	1,669,000
Accrued payroll	190,000	262,000
Other liabilities	620,000	385,000
Long-term debt, curr.	191,000	—
Accruals	49,000	725,000
Curr. Liabilities	$ 3,299,000	$ 4,091,000
Long-term debt	2,156,000	82,000
+ Common stock	10,266,000	9,496,000
Accumulated deficit	(8,826,000)	(7,436,000)
Total Liabilities & Shareholders' Equity	$ 6,895,000	$ 6,233,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

Sales to Inventories	3.80	4.21
Working Capital	$2,306,000	$ 845,000
Current Ratio	1.70	1.21
Shareholders' Equity	$6,895,000	$6,233,000

Pacific Scientific Company

1350 South State College Boulevard
Anaheim, California 92803
(714) 535-8141

Officers: Harry R. Goff, chairman of the board, president & chief executive officer; Douglas D. Fockler, Albert F. Hartung, Jerome Harrington, Joseph T. Sacco, Jr., v.p.'s and division presidents; Richard V. Plat, sr. v.p.-finance & administration and secretary; Thomas J. Pope, sr. v.p. and group exec.-Kin-Tech Division; William L. Nothwang, controller; Peer A. Swan, treasurer.

Directors: Harry R. Goff, chairman; W.P. Balderston, Ralph O. Briscoe, James D. Hodgson, William A. Preston, Harry W. Todd, Jack P. Wright.

Areas of Work: Operates in four areas: Specialized Motors, Electronic Instruments, Aerospace Products and Components.

Divisions and Subsidiaries:

Kin-Tech Division
Anaheim, California

Develops and markets mechanical shock arrestors, restraint equipment and other safety devices for nuclear, and fossil fuel power plants; pipes, and petro-chemical plants.

HIAC/Royco Division
Menlo Park, California

Manufactures electronic instruments which measure contaminant particles in liquids and gases using remote sensors.

Gardner/Neotec Division
Silver Spring, Maryland

Manufactures instruments for the measurement and control of appearance properties, colorimeters for use in the textile and food markets, and related software. Also manufactures a line of near-infrared analyzers used in the analysis of agricultural and industrial products to measure proteins, moisture, fiber, oil and similar components in organic substances.

Belfab Division
Daytona Beach, Florida

Motor & Control Division
Rockford, Illinois

Pacific Scientific, Ltd.
Maidenhead, England

Pacific Scientific, GmbH
Stuttgart, West Germany

Pacific Scientific, Inc.
Basel, Switzerland

Pacific Scientific, S.A.R.L.
Palaiseau, France

Pacific Scientific International Sales Corp.
St. Thomas, U.S. Virgin Islands

Transfer Agent(s):

First Interstate Bank of California
Los Angeles, California

Stock Exchange(s): New York

Ticker Symbol: PSX

Number of Employees:

1984	1,000	1981	886
1983	N.A.	1980	722
1982	900		

Plant Footage:

1984	N.A.	1981	287,000
1983	290,000 sq. ft.	1980	211,500
1982	273,000		

N.A. - Not Available.

Sales and Earnings

	Revenues +	Net Income
1984	$ 92,192,000	$ 7,000,000
1983	81,421,000	10,846,000
1982	76,298,000	9,240,000
1981	66,145,000	8,444,000
1980	55,220,000	7,153,000

	No. of Com. Shares ‡	Earn. per Share †
1984	5,411,000	$ 1.29
1983	5,346,000	1.98
1982	5,252,000	1.60
1981	5,785,000	1.42
1980	5,712,000	1.22

+ Of continuing operations only.
‡ Adjusted to reflect stock dividends.
† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1984	1983
Restraint equip.	$ 27,756,000	$ 47,953,000
Electronic instruments	34,729,000	31,415,000
Corporate	3,026,000	2,330,000
Motors & controls	26,927,000	—
Eliminations	(246,000)	(277,000)
Total	$ 92,192,000	$ 81,421,000

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.38	—	—
1982	0.34	—	—
1981	0.29	50%	—
1980	0.24	50%	—

† Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 53,879,000	$ 9.96
1983	48,480,000	9.07
1982	37,824,000	7.20
1981	36,484,000	6.31
1980	29,156,000	5.10

† Adjusted to reflect stock dividends.

Income Account *
(000's)

Year ended	12/28/84	12/30/83
Net sales	$ 88,912	$ 78,886
Other income	3,280	2,535
Total Income	$ 92,192	$ 81,421
Cost of sales	54,649	42,506
Expenses	22,715	16,899
Interest expense	2,469	1,860
Income before taxes	$ 12,359	$ 20,156
Income taxes	5,359	9,310
Net Income	$ 7,000	$ 10,846

* Included in Costs and Expenses, Depreciation and Amortization: $3,366,000 in 1984 and $2,033,000 in 1983.

Assets
(000's)

As of	12/28/84	12/30/83
Cash & short-term invest.	$ 34,480	$ 40,840
Trade receiv., net	16,177	17,924
*Inventories	25,445	19,040
Prepaid expenses	2,608	1,758
Current Assets	$ 78,710	$ 79,562
#Fixed assets	13,590	9,197
Other assets	6,773	3,132
Total Assets	$ 99,073	$ 91,891

Liabilities
(000's)

	12/28/84	12/30/83
Accts. payable	$ 5,878	$ 4,858
Accrued payroll	2,098	2,071
Other accruals	1,339	1,203
Income taxes	32	290
Other liab.	2,916	2,399
Curr. Liabilities	$ 12,263	$ 10,821
Long-term debt	30,746	30,792
Deferred income taxes	2,185	1,798
+ Common stock	5,411	5,346
Add. paid-in capital	3,596	3,106
Retained earnings	44,872	40,028
Total Liabilities & Shareholders' Equity	$ 99,073	$ 91,891

* At lower of cost (average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.90	25.55
%Net Income to Sales	13.75	7.87
%Net Income to Equity	12.99	22.37
Sales to Inventories	3.49	4.14
Working Capital	$66,447,000	$68,741,000
Current Ratio	6.42	7.35
Shareholders' Equity	$53,879,000	$48,480,000

Panelgraphic Corporation

10 Henderson Drive
West Caldwell, New Jersey 07006
(201) 227-1500

Officers: Edward E. Finney, chairman of the board & president, Stewart Nellis, v.p.-marketing & sales; Michael E. Kane, vice president-operations; Julius Denzler, secretary & general counsel; Elmer C. Lupton -v.p. & technical director; James M. Johnson, treasurer & controller.

Directors: Edward E. Finney, chairman; Richard G. Post, Robert H. Frey, Henry Avery, Richard H. Griebel.

Areas of Work: Produce specialty coatings for the plastics. The company has developed a series of high-performance transparent coatings to achieve a marked upgrading of engineering plastics to create high value-added composites.

Joint ventures: Zeblon, Inc. (50% owned) Richmond, Virginia

Transfer Agent(s):

Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984 ...... N.A. 1983 100

Plant Footage:

1984 ...... N.A. 1983 ...... 51,000 sq. ft.

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 3,938,000	$ 82,562
1983	3,968,000	154,386
1982	4,185,000	58,173
1981	4,029,000	64,555
1980	3,350,000	(57,369)

	No. of Com. Shares #	Earn. per Share #
1984	452,158	$ 0.18
1983	452,158	0.34
1982	446,870	0.13
1981	446,495	0.14
1980	435,000	—

(Loss)
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 832,653	$ 1.84
1983	750,091	1.66
1982	589,455	1.32
1981	524,902	1.18
1980	458,529	1.05

# Based on the weighted average number of shares outstanding.

Income Account *

Year ended Aug. 31	1984	1983
Revenue	$ 3,937,577	$ 3,968,231
Cost of sales	2,148,074	2,162,768
Expenses	1,623,521	1,491,734
Interest expense	76,932	95,572
Earnings of joint venture	(9,271)	—
Income before taxes	$ 98,321	$ 218,157
Income taxes	15,759	63,771
Net Income	$ 82,562	$ 154,386

* Included in Costs and Expenses, Depreciation and Amortization: $84,953 in 1984 and $78,340 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 12,296	$ 80,633
Accts. receiv., net	756,951	423,396
*Inventories	471,060	292,606
Prepaid expenses	22,414	17,180
Current Assets	$ 1,262,721	$ 813,815
#Fixed assets	706,603	610,794
Invest. in joint venture	14,271	5,000
Defer. expenses	58,241	64,693
Total Assets	$ 2,041,836	$ 1,494,302

Liabilities

Long-term debt, curr.	$ 27,719	$ —
Cap. lease oblig., curr.	27,375	36,064
Accts. payable	407,066	182,891
Accrued expenses	236,799	223,413
Curr. Liabilities	$ 698,959	$ 442,368
Notes payable	493,328	250,000
Cap. lease oblig.	3,083	30,865
Deferred inc. taxes	13,813	20,978
+ Common stock	45,216	45,216
Add. paid-in capital	290,532	290,532
Retained earnings	496,905	414,343
Total Liabilities & Shareholders' Equity	$ 2,041,836	$ 1,494,302

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.50	5.50
%Net Income to Sales	2.10	3.89
%Net Income to Equity	9.92	20.58
Sales to Inventories	8.36	13.56
Working Capital	$563,762	$371,447
Current Ratio	1.81	1.84
Shareholders' Equity	$832,653	$750,091

Paradyne Corporation

8550 Ulmerton Road
P.O. Box 28261
Largo, Florida 33540
(813) 530-2000

Officers: Robert S. Wiggins, chairman of the boaru, president & chief executive officer; Robert W. Jones, sr. v.p., general manager & secretary; Jerry T. Kendall, sr. v.p., general manager-service & marketing; George B. Pressly, sr. v.p.-corporate communications; Robert J. Shea, sr. v.p.-corporate development; F. William Siegrist, sr. v.p., general manager-network systems; Kenneth R. Wall, sr. v.p., general manager-operations; Fred T. Melberg, sr. v.p.-finance & administration and chief financial officer; Peter A. Gugliemi, v.p. & treasurer; Patrick L. Rickard, sr. v.p., general manager, telecommunications.

Directors: Robert S. Wiggins, chairman; Paul J. Ferri, Henry H. Greer, J. Thomas Lawson, James K. Taggart, William F. Souders.

Areas of Work: Designs, manufactures, markets, and services medium and high speed data communications equipment. The two principal product lines include: Modems and Analysis systems to allow transmission of computer information over telephone lines and PIX systems designed to communicate between remote peripheral devices and IBM computers.

Subsidiaries:

Paradyne Caribbean, Inc.
P.O. Box 7627
Playa de Ponce
Ponce, Puerto Rico 00731

Paradyne Canada, Ltd.
200 Consumers Road, Suite 504
North York, Ontario M2J 4R4
Canada
(416) 494-0453

Ark Electronic Products, Inc.
325 W. Hibiscus Blvd.
Melbourne, Florida 32901
(305) 724-5260

Paradyne European Headquarters
Paradyne House, 14 Upton Rd.
Watford, Hertfordshire, England WD1 7EP
44(923)55550

Paradyne GmbH
Bunzlauer Strassel
50001 Koeln 40
West Germany
49(2234)74091

Paradyne Japan, KK
WAKO Number 15 Building 8
1-Chome Honcho, Nihonbashi
Chuo-Ku, Tokyo
Japan
81-3-245-0431

Solid State Circuits
616 Boonville
Springfield, Missouri 65806
(417) 869-4678

Transfer Agent(s):

State Street Bank & Trust Company
225 Franklin Street
Boston, Massachusetts 02101

Stock Exchange(s): New York

Ticker Symbol: PDN

Number of Employees:

1984 ...... 4,042 1981 2,726
1983 ...... 3,452 1980 1,617
1982 3,072

Plant Footage:

1984 ...... N.A. 1983 ...... 525,000 sq. ft.

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income
1984	$ 289,981,000	$ 11,048,000
1983	208,959,000	3,652,000
1982	207,341,000	26,872,000
1981	139,023,000	18,261,000
1980	78,394,000	8,519,000

	No. of Com. Shares †	Earn. per Share †
1984	22,515,000	$ 0.49
1983	22,357,000	0.16
1982	21,692,000	1.24
1981	19,538,000	0.93
1980	17,026,000	0.50

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	—	—	3-for-2
1981	—	—	—
1980	—	—	4-for-3 & 2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 213,763,000	$ 9.49
1983	199,819,000	8.94
1982	193,379,000	8.91
1981	119,238,000	6.10
1980	64,868,000	3.81

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 229,142	$ 160,398
Other income	60,839	48,561
Total revenues	$ 289,981	$ 208,959
Cost of sales & revenues	164,109	116,443
Expenses	106,599	90,237
Interest income	4,542	(2,018)
Income before taxes	$ 14,731	$ 4,297
Income taxes	3,683	645
Net Income	$ 11,048	$ 3,652

* Included in Costs and Expenses, Depreciation and Amortization: $21,175,000 in 1984 and $18,402,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash invest.	$ 31,965	$ 6,416
Accts. receiv., net	70,991	71,046
*Inventories	91,104	67,146
Prepaid expenses	3,810	4,659
Current Assets	197,870	149,267
Field support spares	$ 12,741	$ 9,054
#Equip. on oper. leases	26,358	18,006
#Fixed assets	66,994	59,780
Invest. in non-consol. subsid.	33,208	29,475
Other assets	13,747	6,917
Total Assets	$ 350,918	$ 272,499

Liabilities
(000's)

	1984	1983
Notes payable & long-term debt, curr.	$ 12,704	$ 6,749
Accts. payable	18,753	14,604
Accruals	11,088	8,686
Income taxes	3,317	5,267
Curr. Liabilities	$ 45,862	$ 35,306
Long-term debt	86,036	30,115
Deferred income taxes	3,701	1,692
Def. maint. rev.	1,556	5,567
+ Common stock	2,252	2,233
Add. paid-in capital	142,652	139,018
Retained earnings	70,448	59,400
Cum. trans. adjust.	1,589	(832)
Total Liabilities & Shareholders' Equity	$ 350,918	$ 272,499

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	5.08	2.06
%Net Income to Revenues	3.81	1.75
%Net Income to Equity	5.17	1.83
Working Capital	$152,008,000	$113,961,000
Current Ratio	4.31	4.23
Shareholders' Equity	$213,763,000	$199,819,000

Park Electrochemical Corp.

5 Dakota Drive
Lake Success, New York 11042
(516) 354-4100

Officers: Jerry Shore, chairman, chief executive officer and president; William R. Bastian, Stanley H. Randall, vice presidents; Harry Linzer, secretary & treasurer; Allen Levine, controller.

Directors: Anthony Chiesa, Leon H. Keyserling, Jerry Shore, Norman M. Schneider, Brian E. Shore.

Areas of Work: Engaged in the design, manufacture and marketing of electronic materials and components, plumbing hardware, and industrial components. The electronic products include sophisticated multilayer circuitry materials used in electronic interconnections, as well as front panels and nameplates, for use in electronic equipment. The plumbing hardware products include bath spouts, shower heads, kitchen hose and spray head units, and faucets manufactured for original equipment manufacturers, hardware and plumbing wholesalers and home improvement centers. The industrial components consist of decorative hardware used primarily by manufacturer of household appliances and automobiles.

Divisions and Subsidiaries:

New England Laminates Co., Inc.
3 Elm Street
Walden, New York 12586

Zin-Plas Corporation
25 North Park Street
Comstock Park, Michigan 49321

Dielectric Polymers, Inc.
218 Race Street
Holyoke, Massachusetts 01040

Hallmark Nameplate, Inc.
1855 New Highway
Farmingdale, New York 11735

Nelco Products, Inc.
1411 E. Orangethorpe Avenue
Fullerton, California 92631

New England Laminates (U.K.) Limited
1 Paddock Road
Skelmersdale, Lancashire,
United Kingdom

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey

Stock Exchange(s): New York

Ticker Symbol: PKE

Number of Employees:

1985	N.A.	1982	650
1984	N.A.	1981	900
1983	850		

Plant Footage*:

1985	N.A.	1982	144,900
1984	N.A.	1981	92,000
1983	185,000 sq. ft.		

* Electronic circuitry manufacturing only.
N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1985*	$ 92,587,000	$ 7,250,000
1984	73,183,000	5,252,000
1983	56,916,000	1,722,000
1982	55,006,000	1,540,000
1981	49,828,000	1,485,000

	No. of Com. Shares #	Earn. per Share #
1985*	5,141,000	$ 1.41
1984	4,785,000	1.10
1983	4,032,000	0.43
1982	4,008,000	0.38
1981	4,008,000	0.37

* 53 weeks.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1985	1984
Electronics	$ 67,639	$ 44,093
Plumbing hardware	15,469	16,942
Industrial components	9,479	12,148
Total	$ 92,587	$ 73,183

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	3-for-2
1984	—	—	3-for-2
1983	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 41,339,000	$ 8.04
1984	34,798,000	7.27
1983	15,867,000	3.94
1982	14,305,000	3.57
1981	12,622,000	3.15

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended	3/3/85	2/26/84
Net sales	$ 92,587,000	$ 73,183,000
Cost of sales	71,316,000	56,415,000
Expenses	11,007,000	9,262,000
Interest income	(1,251,000)	(1,048,000)
Income before taxes	$ 11,515,000	$ 8,554,000
Income taxes	4,265,000	3,302,000
Net Income	$ 7,250,000	$ 5,252,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,342,000 in 1984 and $2,003,000 in 1983.

Assets

As of	3/3/85	2/26/84
Cash	$ 14,825,000	$ 17,287,000
Accts. receiv., net	14,134,000	11,050,000
*Inventories	8,621,000	6,448,000
Prepaid & other assets	1,060,000	860,000
Current Assets	$ 38,640,000	$ 35,645,000
#Fixed assets	20,388,000	16,604,000
Notes receivable	300,000	300,000
Other assets	672,000	253,000
Total Assets	$ 60,000,000	$ 52,802,000

Liabilities

	3/3/85	2/26/84
Bank loans & notes payable	$ 2,456,000	$ 671,000
Long-term debt, curr.	250,000	250,000
Accts. payable	7,888,000	7,990,000

Accruals	3,107,000	3,830,000
Income taxes	760,000	1,546,000
Curr. Liabilities	$ 14,461,000	$ 14,287,000
Long-term debt	1,250,000	1,500,000
Deferred inc. taxes	2,950,000	2,217,000
+ Common stock	514,000	342,000
Add. paid-in capital	17,154,000	17,332,000
Retained earnings	24,569,000	17,319,000
Cum. trans. adj.	(898,000)	(180,000)
Treasury stock	—	(15,000)
Total Liabilities & Shareholders' Equity	$ 60,000,000	$ 52,802,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.44	11.69
%Net Income to Sales	7.83	7.18
%Net Income to Equity	17.54	15.09
Sales to Inventories	10.74	11.35
Working Capital	$24,179,000	$21,519,000
Current Ratio	2.67	2.52
Shareholders' Equity	$41,339,000	$34,798,000

Parker Hannifin Corporation

17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Officers: Patrick S. Parker, chairman of the board; Paul G. Schloemer, president & chief exec. officer; Donald S. Manning, vice chairman; R.C. Barnd, v.p. & president-International Sector; Frederick A. Downey, exec. v.p.-finance & administration; Jack E. Chappell, v.p. & president-Nichols; Duane R. Collins, v.p. & president-Fluid Connectors; James P. Mockler, v.p. & president-Fluidpower; Rhinehold G. Pastryk, v.p. & president-Seal; Robert H. Rav, v.p. & president-Aerospace; Zdenek J. Lansky, v.p. and technical director; John L. Hanson, v.p.-human resources; Dennis W. Sullivan, exec. v.p. & president-Industrial Sector; Harold C. Gueritey, Jr., controller; John Wenzel, v.p. & president-Automotive Sector; Joseph D. Whiteman, general counsel & secretary; Wallace C. Young, treasurer.

Directors: Keith S. Benson*, Allen H. Ford*, Frank LePage, Reynold C. MacDonald, Donald S. Manning, Patrick S. Parker*, Philip Rauch*, Scott A. Rogers, Jr., Maurice L. Schwarz, Richard Bertea*, John G. Breen, Robert H. Cannon, Jr., Paul G. Schloemer*, Frederick A. Downey, Dennis W. Sullivan.

* Member of the Executive Committee.

Areas of Work: Industrial products include: hydraulic, pneumatic and cryogenic cylinders, valves, controls, and filters; hydraulic pumps, accumulators, motors, and power system units; hose, tube and applicable connectors and fittings; sealing devices; worm drive clamps; refrigeration and air conditioning system components. Aviation/Space/Marine Products include: gas tubine fuel injection control valves and nozzles; precision control valves for cryogenic and conventional fuels; valves for pressurized gases used in space experiments and space craft altitude jets; hydraulic valves. Automotive products include: worm drive clamps; thermostats; windshield wiper blades and refills; windshield washer pumps; turn signal and hazard warning flashers; mirrors; radio antennas; air conditioner fittings, hose assemblies, receiver-dryers, valves, couplers and mufflers; grease guns; oilers; tire valves, gauges and hardware; air line couplers; blow guns; seals; disc and drum brake fluids and components; biomedical products.

Operating Groups:

Parka Bertea Aerospace Group
18321 Jamboree Boulevard
Irvine, California 92715
(714) 833-3000

Automotive Aftermarket Group
1000 Pennsylvania Avenue
Brooklyn, New York 11207
(212) 498-4000

Biomedical Group
17352 Von Karman Avenue
Irvine, California 92714
(714) 851-3357

Fluid Connectors Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Fluid Connectors Group - Europe
Star House
P.O. Box 192
69/71 Clarendon Road
Watford WD1 1DQ
Herts, England

Fluidpower Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Fluidpower Group - Europe
Star House
P.O. Box 192
69/71 Clarendon Road
Watford, WD1 1DQ
Herts, England

Intercontinental Group
17325 Euclid Avenue
Cleveland, Ohio 44112
(216) 531-3000

Nichols Group
Parker Hannifin Corporation
1040 Waltham Street
P.O. Box 800
Lexington, Massachusetts 02173
(617) 862-8550

Refrigeration Components Group
2421 South 25th Avenue
Broadview, Illinois 60153
(312) 681-3576

Seal Group
2360 Palumbo Drive
Lexington, Kentucky 40509
(606) 269-2351

Seal Group - Europe
Germany-Parker Dichtungen Gmbh
Postfach 40
7121 Pleidelshie
West Germany

Acquisition(s):

W.H. Nichols
Manufactures proprietary fluid system products.

Transfer Agent(s):

The AmeriTrust Company
Cleveland, Ohio

Stock Exchange(s): New York

Ticker Symbol: PH

Number of Employees:

1984	22,000	1981	22,291
1983	18,346	1980	20,051
1982	19,350		

Sales and Earnings ‡

	Net Sales (000's)	Net Income (000's)
1984	$ 1,304,817	$ 71,499
1983	1,086,046	31,437
1982	1,198,273	50,285
1981	1,156,503	62,945
1980	1,075,925	58,593

	No. of Com. Shares +	Earn. per Share #
1984	26,808,000	$ 2.68
1983	26,469,000	1.20
1982	26,083,000	2.28
1981	25,907,000	2.59
1980	23,123,000	2.54

‡ Restated to include operations of W.H. Nichols Company acquired on a pooling of interests basis.
+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Industrial	$ 736,545	$ 602,816
Aviation/Space/Marine	293,582	258,006
Automotive	275,998	225,840
Interseg. sales	(1,308)	(616)
Total	$ 1,304,817	$ 1,086,046

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.04	—	—
1983	0.98	—	—
1982	0.96	—	3-for-2
1981	0.88	—	—
1980	0.80	—	—

+ Adjusted to reflect stock split.

Common Stock Equity ‡

	Total Equity	Equity Per Share †
1984	$ 518,321,000	$ 19.33
1983	473,706,000	17.90
1982	467,766,000	17.93
1981	435,529,000	16.81
1980	357,306,000	15.45

‡ Restated.
† Adjusted to reflect stock split.

Income Account *
(000's)

Year ended June 30	1984	1983 ‡
Net sales	$ 1,304,817	$ 1,086,046
Cost of sales	996,129	865,096
Expenses	173,842	155,360
Interest expense	16,097	18,185
Interest & other income	(5,447)	(1,880)
Gain on disposal of assets	—	421
Income before taxes	$ 124,196	$ 49,706
Income taxes	52,697	18,269
Net Income	$ 71,499	$ 31,437

* Included in Costs and Expenses, Depreciation: $37,421,000 in 1984 and $35,951,000 in 1983.

Assets
(000's)

As of June 30	1984	1983 ‡
Cash & cash equiv.	$ 34,498	$ 36,276
Marketable securities	11,292	11,536
Accts. receiv., net	199,108	173,007
*Inventories	299,716	264,090
Prepaid expenses	7,479	7,896
Current Assets	$ 552,093	$ 492,805
Investments & other assets	14,003	14,705
#Fixed assets	335,916	304,068
Intangibles	3,333	2,792
Total Assets	$ 905,345	$ 814,370

Liabilities
(000's)

Notes payable	$ 13,362	$ 11,705
Accts. payable	85,133	56,927

Accruals	62,739	58,766
Accrued payroll	30,978	26,203
Accrued taxes	24,929	22,206
Current Liabilities	$ 217,141	$ 175,807
Long-term debt	145,669	145,983
Deferred inc. taxes	24,214	18,874
+ Common stock	13,404	13,234
Add. paid-in capital	94,870	88,743
Retained earnings	434,337	391,106
For. curr. trans. adj.	(24,290)	(19,377)
Total Liabilities & Shareholders' Equity	$ 905,345	$ 814,370

‡ Restated.

* At lower of cost or market. Majority of domestic inventories stated at LIFO; remainder at FIFO.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.52	4.58
%Net Income to Sales	5.48	2.89
%Net Income to Equity	13.79	6.64
Sales to Inventories	4.35	4.11
Working Capital	$334,952,000	$316,998,000
Current Ratio	2.54	2.80
Shareholders' Equity	$518,321,000	$473,706,000

The Penn Central Corporation

500 West Putnam Avenue
Greenwich, Connecticut 06836
(203) 629-5000

Officers: Carle H. Lindner, chairman of the board; Alfred W. Martinelli, president & chief exec. officer; Herbert S. Winokur, Jr., sr. exec. v.p.; Francis A. Kareken, sr. v.p., general counsel & secretary; Edward F. Kosnik, exec. v.p. & chief fin. officer; David H. Street, v.p. & treasurer; Robert W. Olson, v.p. & deputy general counsel; Frederick W. Rovet, v.p.-real estate; Ernest R. Varalli, sr. v.p. & controller; John F. Mullen, v.p.-accounting; Donald R. Kampman, v.p.-auditing & financial services; Brian F. Billings, president-energy group; Charles P. Siess, Jr., president-marathon group; Eugene G. Swartz, president-electronics, defense and communications group; John D. Gwynn, v.p.-investments; Neil M. Hahl, v.p. and general tax counsel.

Directors: Carl H. Lindner*, chairman; Richard Dicker*, A. Leon Fergenson, Alvin Friedman, John W. Ingraham, William F. Ludwig, Thomas M. Macioce*, Howard L. Terry*, James H. Torrey, Ronald F. Walker, Thomas M. Hunt, Charles P. Siess, Jr., John H. Williams*, Gene M. Woodfin, Edward F. Kosnik, Alfred W. Martinelli*, Herbert S. Winkour, Jr.

* Member of the Executive Committee.

Areas of Work: The company manufactures products and supplies services in the following areas: electronics and defense, telecommunications, energy, natural resources and property.

Divisions and Subsidiaries:

Electronics, Defense and
Telecommunications Group
Greenwich, CT (203) 629-5000

Sprague Electric Company
Lexington, Massachusetts
(617) 862-5500
Manufacture of electronic and electrical circuit components.

Sprague World Trade Corporation
Geneva, Switzerland
011-41-022-98-4021
Manufacture of electronic and electrical circuit components in Belgium, France and West Germany.

Solid State Scientific, Inc.
Willow Grove, PA
(215) 657-8400
Manufacture of complementory metal oxide semiconductors.

Manufactured Products Companies
Greenwich, Connecticut
(203) 629-3780
Manufacture of lightweight flexible ducting used for heating, air conditioning and ducting for dust and fume control; manufacture of structural and mechanical steel tubing; and manufacture of gas and oil-fired boilers and radiation baseboard heating systems.

G & H Technology
Santa Monica, California
(213) 450-0561
Manufacture of electromechanical connectors and unbilical disconnects.

Penn Central Federal Systems Group
Greenwich, Connecticut
(203) 629-5000

Penn Central Technical Security Company
Greenwich, Connecticut
(203) 629-5000

Vitro Services
Ft. Walton Beach, Florida
(904) 244-7711
Manufacture of precision tracking and meteorological radar systems.

QualCorp, Inc.
Danbury, CT
(203) 796-5000
Provides engineering, technical services, quality assurance and quality control instruments, systems and services through the following units: Automation Industries Pty. Ltd., Automation Systems, Conam Inspection, Nuclear Energy Services, Sperry Products and Sperry Rail Service.

Vitro Corporation
Silver Spring, Maryland
(301) 231-1000
Systems engineering for the design, coordination and integration of components into unified and effective weapons systems for the U.S. Navy.

Penn Central Telecommunications Group
Greenwich, Connecticut
(203) 629-5000

General Cable Company
Greenwich, Connecticut
(203) 629-5000
Manufacture of wire and cable and related products for the telecommunications market.

General Cable International
Greenwich, Connecticut
(203) 629-5201
Manufacture of wire and cable related products for the telecommunications market through foreign equity investments in Brazil, Colombia, Venezuela and Spain.

Energy Group
Tulsa, Oklahoma
(918) 496-7300

Buckeye Gas Products Company
Tulsa, Oklahoma
(918) 496-7300
Retail and wholesale propane marketing and storage utilizing the Doxol, Norgas and Uregas trade names.

Buckeye Pipe Line Company
Allentown, Pennsylvania
(215) 820-8300
Pipeline transportation of refined petroleum products and crude oil.

Gulf Energy Development Corporation
San Antonio, Texas
(512) 340-4070
Natural gas gathering, processing and marketing; oil and gas exploration.

Marathon Group
Houston, Texas
(713) 659-7444

Marathon Battery Company
Waco, Texas
(817) 776-0650
Manufacture of nickel-cadmium and magnesium batteries.

Marathon Alcad Limited
Redditch, Worcestershire, England
011-44527-62351
Manufacture of nickel-cadmium batteries.

Marathon Flite-Tronics Company
Burbank, California
(818) 841-3210
Manufacture of static inverters.

Marathon Carey-McFall Company
Montgomery, Pennsylvania
(717) 547-6651
Manufacture of decorator venetian blinds.

Marathon LeTourneau Company
Houston, Texas
(713) 659-7444
Manufacture of mobile offshore oil and gas drilling rigs and components; marine repair and parts services; manufacture of heavy equipment.

Marathon LeTourneau Offshore Pte. Ltd.
Republic of Singapore
011-65-861-2744
Manufacture of mobile offshore oil and gas drilling rigs and components; marine repair and parts services.

Marathon Morco Company
Dickerson, Texas
(713) 337-1534
Manufacture of specialty oils and chemical compounds.

Oilfield Services Companies
Houston, Texas
(713) 659-7444

Butler-Johnson, Inc.
Shreveport, Louisiana
(318) 226-0731
Contract oil and gas drilling.

Cubby Drilling, Inc.
Midvale, Ohio
(614) 922-9431
Contract oil and gas drilling.

Western Oil Well Service Co.
Billings, Montana
(406) 245-7109
Oil well service and workover.

Willis Drilling Co. Inc.
Edinburge, Texas
(512) 383-3888

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Philadelphia, Pacific

Ticker Symbol: PC

Number of Employees:

1984	N.A.	1982	37,200
1983	34,700	1981	40,200

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$2,569,100,000	$ 170,000,000
1983	2,538,900,000	19,700,000
1982	3,165,400,000	131,500,000
1981	3,348,800,000	168,700,000
1980	2,013,700,000	93,600,000

	No. of Com. Shares	Earn. per Share #
1984	40,029,864	$ 3.82
1983	31,845,120	—
1982	31,997,413	3.02
1981	31,976,679	4.18
1980	31,986,525	1.81

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

The Penn Central Corporation

Revenues By Line of Business

(000's)

	1984	1983
Energy & Natural Resources:		
Equipment	$ 296,500	$ 398,700
Services	781,900	516,300
Electronics & Telecommunications		
Electronic & electrical components	608,500	459,700
Wire & cable	280,300	376,800
Technical services & prods.	492,700	453,700
Property	109,200	333,700
Total	$ 2,569,100	$ 2,538,900

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$1,619,200,000	$ 40.45
1983	1,441,400,000	45.26
1982	1,467,700,000	45.87
1981	1,309,300,000	40.95
1980	1,081,200,000	33.81

‡ Adjusted to reflect stock split.

Income Account

(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 2,569,100	$ 2,538,900
Cost of sales	1,545,900	1,530,000
Oper. expenses	473,400	503,200
Depreciation & amortization	120,900	116,800
Gen. & adm. expenses	131,700	137,400
Div. & interest income	(38,900)	(24,000)
Interest & debt expense	38,200	41,000
Corp. & adm. expenses	26,900	37,000
Income taxes	16,800	20,200
Prov. for asset redeployment	—	199,700
Other income	(44,000)	(56,900)
Income before taxes	$ 298,200	$ 34,500
Income taxes	128,200	14,800
Net Income	$ 170,000	$ 19,700

Assets

(000's)

As of Dec. 31	1984	1983
Cash & temp. invest.	$ 37,700	$ 317,700
Receivables, net	369,400	353,700
*Inventories	448,600	396,700
Prepaid expenses	40,000	27,500
Current Assets	$ 895,700	$ 1,095,600
Investments	365,000	321,800
#Fixed assets	1,122,400	1,090,000
Other assets	63,100	82,200
Intangibles	320,000	284,000
Total Assets	$ 2,766,200	$ 2,873,600

Liabilities

(000's)

Long-term debt, curr.	$ 39,600	$ 29,300
Bank borrowings	4,700	4,200
Accts. payable	181,100	168,500
Other curr. liab.	313,500	332,200
Curr. Liabilities	538,900	534,200
Long-term debt	283,900	289,800
Other liab.	222,400	207,200
Minority interest	24,700	30,200
Deferred inc. taxes	77,100	56,200
Redeemable preferred stock	—	314,600
+ Common stock	51,300	34,900
Add. paid-in capital	1,537,600	1,136,400
Retained earnings	473,900	329,300
Treasury stock	(443,600)	(59,200)
Total Liabilities & Shareholders' Equity	$ 2,766,200	$ 2,873,600

* At lower of cost (FIFO) or market.

Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	11.61	1.36
% Net Income to Sales	6.62	0.78
% Net Income to Equity	10.50	1.37
Sales to Inventories	5.73	6.40
Working Capital	$ 356,800,000	$ 561,400,000
Current Ratio	1.66	2.05
Shareholders' Equity	$1,619,200,000	$1,441,400,000

Penril Corp.

5520 Randolph Road
Rockville, Maryland 20852
(301) 881-8151

Officers: Kenneth M. Miller, president & chief executive officer; Alva T. Bonda, treasurer; William S. Lambdin, v.p. & general manager-Electro-Metrics; Charles N. Hasley, v.p. & general manager-Data Tech; Frank S. DiGiroliamo, v.p. & president-Epicure Products, Inc.; Harry O. Christenson, v.p.-finance; John D. Phillips, v.p. & gen. mgr.-Technipower; Warren J. Hess, v.p. & president-Triplett Electrical Instrument Corp.; Joseph T. Pisula, v.p. & gen. mgr.-data communications div.; Thomas J. McLoughlin, president-Concord Systems, Inc.; Charles C. Zwingman, Jr., v.p.-administration and secretary; Gloria Erlich, asst. secretary.

Directors: Alva T. Bonda, chairman; Kenneth M. Miller, Dennis B. Heffernan, Richard D. Margolis, Gerald E. Wedren.

Areas of Work: Designs, manufactures and markets data communications equipment, electronic test and measurement instruments, electronics power supplies, electronic power conversion and consumer audio equipment.

Divisions:

Data Communications Division
207 Perry Parkway
Gaithersburg, Maryland 20877-2197
(301) 921-8600

Manufactures data communications equipment.

Electro-Metrics Division
100 Church Street
Amsterdam, New York 12010-4299
(518) 843-2600

Manufactures test instruments for measurement of RFI/EMI (radio frequency and other electromagnetic interference).

Data Tech Division
3110 W. Segerstrom Avenue
Santa Ana, California 92704-5852
(714) 546-7160

Manufactures electronic digital instrument products which include digital panel meters, digital multimeters, analog to digital converters, logic modules and computer memory devices.

Technipower Division
Commerce Drive
Commerce Park
Danbury, Connecticut 06810-9990
(203) 748-7001

Manufactures power conversion equipment includng high reliability encapsulated power supplies, auto transformers and voltage regulators.

Subsidiaries:

Penril Technical, S.A.
6 Rue De La Corsaz
CH 1820
Montreux, Switzerland 623651

Manufactures high reliability encapsulated power supplies.

Epicure Products, Inc.
25 Hale Street
Newburyport, Massachusetts 01950
(617) 462-1000

Manufactures high fidelity loudspeaker systems and markets transcription turntables.

Triplett Corporation
1 Triplett Drive
Bluffton, Ohio 45817
(419) 358-5015

Triplett Electrical Instrument Corporation
202 Via Del Monte
Oceanside, California 92054
(619) 757-7808

Triplett de Mexico, S.A.
1597 Altos Boulevard Diaz Ordaz
La Mesa, Tijuana, Baha California
Mexico

Concord Japan Company, Ltd.
Room 1002 10F
Tokan Castel Bashamichi
69-1, 4-Chrome Aioi-cho, Naka-ku
Yokohama
Kanagawa-pref 231
Japan

Alltest
715 South Vermont St.
Palatine, Illinois 60067-1738
(312) 934-0405

Concord Systems, Inc.
6025 Yolanda Avenue
Tarzana, California 91356-1495
(818) 344-9333

Altec Company, Ltd.
2842 Shimotsuruma
Yamato-Shi
Kanagawa-ken 242
Japan
0462 (76) 3319

Transfer Agent(s):

National Bank of Washington
4340 Connecticut Avenue, N.W.
Washinton, D.C. 20008

Morgan Guaranty & Trust Company of New York
30 West Broadway
New York, New York 10007

Stock Exchange(s): American

Ticker Symbol: PNL

Number of Employees:

1984	1,250	1981	730
1983	950	1980	680
1982	600		

Plant Footage:

1984	400,000 sq. ft.	1981	204,000
1983	245,000	1980	197,200
1982	212,000		

Sales and Earnings

	Revenues	Net Income
1984	$ 65,702,000	$ 2,470,000
1983	38,715,869	1,447,670
1982	39,586,600	1,672,849
1981	40,073,414	2,286,631
1980	33,333,828	1,783,405

	No. of Com. Shares #	Earn. per Share #
1984	2,092,000	$ 1.18
1983	2,018,195	0.72
1982	1,976,214	0.85
1981	1,989,066	1.15
1980	1,324,884	1.35

# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.17	—	—
1982	0.17	—	—
1981	0.15	—	—
1980	0.15	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 22,757,000	$ 10.88
1983	19,954,286	9.89
1982	17,379,945	8.79
1981	15,850,918	7.97
1980	13,356,310	10.08

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended July 31	1984	1983
Net sales & revenues	$ 65,702,000	$ 38,715,869
Cost of sales	40,172,000	22,892,866
Expenses	19,716,000	13,019,405
Interest expense	3,421,000	1,552,830
Other income	(1,184,000)	(994,902)
Income bef. taxes	$ 3,577,000	$ 2,245,670
Income taxes	1,107,000	798,000
Net Income	$ 2,470,000	$ 1,447,670

*Included in Costs and Expenses, Depreciation and Amortization: $1,650,000 in 1984 and $1,335,696 in 1983.

Assets

As of July 31	1984	1983
Cash	$ 1,010,000	$ 2,097,662
Marketable securities	1,344,000	—
Accts. receiv., net	13,665,000	8,427,799
*Inventories	21,146,000	8,675,353
Other assets	1,463,000	615,627
Current Assets	$ 38,628,000	$ 19,816,441
Investment securities	9,987,000	14,296,695
#Fixed assets	6,142,000	4,228,682
Other assets & intangibles	8,205,000	3,188,539
Total Assets	$ 62,962,000	$ 41,530,357

Liabilities

	1984	1983
Long-term debt, curr.	$ 153,000	$ 136,093
Accts. payable	5,871,000	2,476,575
Banker's acceptances	3,097,000	—
Accrued comp.	1,635,000	1,049,454
Accrued interest	1,286,000	994,082
Income taxes	115,000	159,015
Other expenses	1,379,000	657,137
Curr. Liabilities	$ 13,536,000	$ 5,472,356
Long-term debt	25,960,000	15,636,395
Other liabilities	372,000	50,320
Deferred inc. taxes	337,000	417,000
+ Common stock	21,000	19,951
Add. paid-in capital	12,528,000	11,363,484
Retained earnings	11,644,000	9,582,345
Unrealized loss	(1,314,000)	(895,712)
Note receiv.	(84,000)	(96,043)
Foreign curr. trans.	(38,000)	(19,739)
Total Liabilities & Shareholders' Equity	$ 62,962,000	$ 41,530,357

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.44	5.80
%Net Income to Sales	3.76	3.74
%Net Income to Equity	10.85	7.25
Sales to Inventories	3.11	4.46
Working Capital	$25,092,000	$14,344,085
Current Ratio	2.85	3.62
Shareholders' Equity	$22,757,000	$19,954,286

Pentron Industries, Inc.

1500 Newell Avenue, Suite 310
Walnut Creek, California 94596

Officers: Robert H. Chappell, chairman of the board, president & chief exec. officer; Marc L. Berman, v.p.; Denis A. Mola, v.p.; George S. Marion IV, secretary & treasurer; Frederick A. Bragiel, C.S. Chapman, asst. secretaries.

Directors: Robert H. Chappell, Paul C. Knauff, Marc L. Berman, Denis A. Mola.

Areas of Work: Produces lithographed metal and plastic housewares items and specialty promotional items; personal home record file boxes; small items cabinets, filing cabinets and desks; molded plastic products and rigid and flexible extruded plastic parts; develops and manufactures innovative electrical digital "readout" measuring instruments used in the installation of telephone and pipelines and electronic fabric measuring equipment used in retail stores.

Divisions:

Ballonoff Home Products Division
Columbiana, Ohio

Transfer Agent(s):

American Stock Transfer Co.
New York, New York

Stock Exchange(s): American

Ticker Symbol: PEN

Number of Employees:

1984	N.A.	1981	496
1983	N.A.	1980	488
1982	279		

Plant Footage:

1984	N.A.	1981	362,000
1983	N.A.	1980	362,000
1982	342,000 sq. ft.		

N.A. - Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 10,579,432	$ (1,718,985)
1983	12,560,444	(2,278,256)
1982	16,429,357	(1,677,284)
1981	17,047,479	(357,978)
1980	18,490,462	238,424

	No. of Com. Shares #	Earn. per Share #
1984	3,685,748	$ —
1983	3,230,256	—
1982	3,220,294	—
1981	3,208,256	—
1980	3,266,601	0.07

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ (486,374)	$ —
1983	636,058	0.20
1982	2,914,314	0.90
1981	4,583,348	1.43
1980	4,909,451	1.50

(Deficiency)
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 10,579,432	$ 12,560,444
Cost of sales	9,280,993	11,238,008
Expenses	2,358,783	3,195,307
Interest expense	442,705	422,203
Prov. for doubtful accts.	78,000	72,347
Other income	(160,564)	(135,796)
Prov. for plant phase-out	298,500	—
Loss from cont. oper.	$ (1,718,985)	$ (2,231,625)
Loss from discont. oper.	—	(46,631)
Net Loss	$ (1,718,985)	$ (2,278,256)

* Included in Costs and Expenses, Depreciation and Amortization: $325,578 in 1984 and $400,448 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 81,638	$ 66,231
Accts. & notes receiv., net	935,251	1,219,124
*Inventories	2,254,611	2,630,451
Prepaid expenses & curr. assets	20,544	11,744
Assets held for resale	140,145	721,601
Current Assets	$ 3,432,189	$ 4,649,151
#Fixed assets	1,328,202	1,431,287
Assets held for resale	176,652	472,423
Other assets	164,428	339,087
Total Assets	$ 5,101,471	$ 6,891,948

Liabilities

	1984	1983
Notes payable	$ —	$ 1,500,000
Long-term debt, curr.	179,305	920,941
Accts. payable	1,264,670	1,348,450
Accrued liabilities	937,695	1,106,904
Curr. Liabilities	$ 2,381,670	$ 4,876,295
Long-term debt	2,688,001	1,118,695
Deferred inc. taxes & credits	518,174	260,900
+ Common stock	4,990,000	3,230,256
Add. paid-in capital	—	233,419
Retained earnings (deficit)	(5,476,374)	(2,827,617)
Total Liabilities & Shareholders' Equity	$ 5,101,471	$ 6,891,948

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

Sales to Inventories	4.69	4.78
Working Capital	$1,050,519	$3,445,008
Current Ratio	1.44	0.29
Shareholders' Equity (Deficiency)	$(486,374)	$ 636,058

The Perkin-Elmer Corporation

Main Avenue
Norwalk, Connecticut 06856
(203) 762-1000

Officers: Robert H. Sorensen, chairman of the board; Horace G. McDonell, Jr., president & chief executive officer; Gaynor N. Kelley, exec. v.p.; Michael D. Stashower, sr. v.p.-finance;

The Perkin-Elmer Corporation

Richard C. Schultz, v.p. & comptroller; James P. Gregory, sr. v.p.-administration & secretary; Ennis B. Warren, v.p.-human resources; Philip C. Danford, treasurer; C. Wendell Bergere, Jr., general counsel & asst. secretary.

Directors: Robert H. Sorensen*, chairman of the board; Chester W. Nimitz, Jr.*, E. Russell Eggers, Horace G. McDonell, Jr.*, J. David Parkinson, John S. Scott*, Charles H. Townes*, James L. Bast, Donald R. Melville, Richard F. Tucker, Joseph F. Abely, Jr., John M. Deutch, Gaynor N. Kelley.

*Member of the Executive Committee.

Areas of Work: Products include analytical instruments, semiconductor processing equipment; minicomputers and software systems; electro-optical systems and precision optics; avionics and missile systems; thermal spray technology.

Divisions and Subsidiaries:

Instrument Group - Analytical Instruments

Connecticut Instrument Operations
Norwalk Connecticut

Chromatography Division
Norwalk, Connecticut

Spectroscopy Division
Ridgefield, Connecticut

Grating Facility
Irvine, California

Computer Aided Chemistry Department
Norwalk, Connecticut

Thermal and Elemental Analysis Department
Norwalk, Connecticut

Instrument Assembly
Mayaguez, Puerto Rico

Instrument Sales and Service Division
Norwalk, Connecticut

Oak Brook Instrument Department
Oak Brook, Illinois

Bodenseewerk Perkin-Elmer and Co., G.m.b.H.
Uerberlingen, West Germany

Perkin-Elmer Limited
Beaconsfield, England and Llantrisant, Wales

Data Systems Group - 32-Bit Minicomputers and Computer Software Systems

Computer Manufacturing Division
Oceanport, New Jersey and Cork, Ireland

Customer Service Division
Little Silver and Neptune, New Jersey

Semiconductor Equipment Group - Equipment for Semiconductor Processing

Electron Beam Technology Division
Hayward, California

Lithographic Manufacturing Division
Wilton, Connecticut

Microlithographic Division
Wilton, Connecticut

Plasma Systems Division
Wilton, Connecticut

Perkin-Elmer Censor
Vaduz, Liechtenstein

Optical Group - Electro-Optical and Precision Optics

Applied Optics Division
Garden Grove, California

Applied Science Division
Pomona, California

Electro-Optical Division
Danbury, Connecticut

Optical Technology Division
Danbury, Connecticut

Space Science Division
Danbury, Connecticut

Systems Operations Division
Danbury, Connecticut

MRJ, Inc.
Fairfax, Virginia

METCO - Thermal Spray Equipment and Materials

Westbury and Hicksville,
New York and Chobham, England

Bodenseewerk Geraetetechnik G.m.b.H. - Avionic Instruments and Missile Systems

Ueberlingen, West Germany

Physical Electronics Division - Surface Analysis Instruments
Eden Prairie, Minnesota

Acquisition(s):

Censor
Produces advanced stepper lithographic systems used in the manufacture of semiconductor devices.

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York, Pacific

Ticker Symbol: PKN

Number of Employees:

1984	N.A.	1981	15,402
1983	14,372	1980	15,290
1982	14,100		

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$1,182,256,000	$ 66,088,000
1983	1,015,402,000	50,242,000
1982	1,036,774,000	62,669,000
1981	1,115,830,000	82,605,000
1980	996,149,000	65,047,000

	No. of Com. Shares †	Earn. per Share †
1984	44,466,000	$ 1.49
1983	43,671,000	1.15
1982	43,250,000	1.45
1981	43,150,000	1.92
1980	40,960,000	1.59

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Instrument Group	$ 342,500	$ 311,500
Semiconductor Equipment Group	257,800	170,000
Data Systems Group	233,100	214,000
Optical Group	183,300	145,400
METCO	81,400	78,100
Geraetetchnik	100,300	107,000
Inter-Segment	(16,100)	(10,600)
Total	$ 1,182,300	$ 1,015,400

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.50	—	—
1982	0.485	—	—
1981	0.42	—	2-for-1
1980	0.335	—	—

† Adjusted to reflect stock split.

Commen Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 562,702,000	$ 12.65
1983	515,245,000	11.80
1982	482,703,000	11.16
1981	439,629,000	10.19
1980	383,807,000	9.37

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended July 31	1984	1983
Net sales	$ 1,182,256	$ 1,015,402
Cost of sales	687,633	586,961
Expenses	397,189	350,498
Interest expense	10,429	13,181
Interest income	(10,763)	(16,562)
Other expense (income)	5,140	(6,336)
Income before taxes	$ 92,628	$ 87,660
Income taxes	26,540	37,418
Net Income	$ 66,088	$ 50,242

* Included in Costs and Expenses, Depreciation and Amortization: $33,977,000 in 1984 and $30,293,000 in 1983.

Assets
(000's)

As of July 31	1984	1983
Cash & other short-term invest.	$ 105,178	$ 122,048
Accts. receiv., net	289,230	231,102
*Inventories	327,925	286,801
Prepaid expenses & other assets	38,317	37,806
Current Assets	$ 760,650	$ 677,577
Marketable securities & time deposits	9,382	7,600
#Fixed assets	208,686	177,548
Other assets	51,581	28,808
Total Assets	$ 1,030,299	$ 891,713

Liabilities
(000's)

Loans payable	$ 64,517	$ 41,251
Accts. payable	103,027	90,820
Accrued payroll	62,050	53,312
Income taxes	32,658	19,641
Other accruals	77,902	64,495
Curr. Liabilities	$ 340,154	$ 269,519
Long-term debt	83,286	53,370
Other liabilities	39,172	48,607
Minority interest	4,985	4,972
+ Common stock	44,045	43,236
Add. paid-in capital	93,441	86,026
Retained earnings	444,338	399,079
Trans. adjustment	(19,122)	(12,176)
Treasury stock	—	(914)
Total Liabilities & Shareholders' Equity	$ 1,030,299	$ 891,713

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.83	8.63
%Net Income to Sales	5.59	4.95

%Net Income to Equity	11.74	9.75
Sales to Inventories	3.61	3.54
Working Capital	$420,496,000	$408,058,000
Current Ratio	2.24	2.51
Shareholders' Equity	$562,702,000	$515,245,000

Photon Sources, Inc.

12163 Globe Road
Livonia, Michigan 48150
(313) 591-0101

Officers: William A. Penner, chairman of the board; Richard P. Scherer, president & chief executive officer; Thomas R Conklin, sr.; v.p.-sales & marketing; Ronald Kaier, treasurer & chief financial officer; William A. Dager, exec. vice president; Donald E. Sprentail, v.p.-engineering; John W. Norris, v.p.-manufacturing; Mark W. Griffin, secretary.

Directors: William A. Penner, chairman; David R. Miller, William A. Dager, Mark W. Griffin, Richard P. Scherer.

Areas of Work: Engaged in the development and production of industrial carbon dioxide lasers and laser machining systems centers.

Subsidiary:

Photon Sources GmbH
Plankenhof Strasse 33
8000 Munich 81
West Germany

Transfer Agent(s):

National Bank of Detroit
Detroit, Michigan

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PHTN (NASDAQ)

Number of Employees:

1985	160	1982	162
1984	155	1981	162
1983	155		

Plant Footage:

1985	82,400 sq. ft.	1982	67,400
1984	82,400	1981	70,000
1983	67,400		

Sales and Earnings

	Net Sales	Net Income
1984	$ 10,693,218	$ 1,098,609
1983	8,765,000	(792,565)
1982	9,522,000	254,713
1981	8,727,000	347,280
1980	5,626,000	(642,168)

	No. of Com. Shares ‡	Earn. per Share ‡
1983	2,181,174	$ —
1983	1,832,574	—
1982	1,527,463	0.17
1981	1,307,788	0.27
1980	1,203,898	—

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 7,315,561	$ 3.35
1983	8,414,170	4.59
1982	5,421,115	3.55
1981	2,939,147	2.25
1980	2,287,566	1.90

‡ Based on the weighted number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 10,693,218	$ 8,764,828
Cost of sales	5,840,770	4,773,158
Expenses	5,247,034	4,370,248
Interest expense	704,023	545,380
Loss bef. taxes	$ (1,098,609)	$ (923,958)
Tax credit	—	(131,393)
Net Loss	$ (1,098,609)	$ (792,565)

* Included in Costs and Expenses, Depreciation and Amortization: $862,218 in 1984 and $394,217 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 2,194,479	$ 2,745,405
Receivables, net	4,172,710	3,552,622
*Inventories	4,394,906	3,906,818
Advances	557,007	558,620
Prepaid expenses	164,214	159,862
Current Assets	$ 11,483,316	$ 10,923,327
#Fixed assets	5,613,019	4,447,637
Other assets	1,290,783	384,263
Total Assets	$ 18,387,118	$ 15,755,227

Liabilities

Long-term debt, curr.	$ 146,479	$ 58,953
Accts. payable	1,457,170	1,390,543
Convert. deben.	675,000	—
Accrued prop. & other taxes	30,484	10,340
Accrued payroll	81,950	79,371
Accrued interest	250,007	151,629
Other accruals	187,222	208,183
Curr. Liabilities	$ 2,828,312	$ 1,899,019
Long-term debt	4,943,245	1,467,038
Senior subord. notes	3,300,000	3,300,000
Convert. subord. deben.	—	675,000
+ Common stock	2,181,174	2,181,174
Add. paid-in capital	6,129,508	6,129,508
Retained earnings (deficit)	(995,121)	103,488
Total Liabilities & Shareholders' Equity	$ 18,387,118	$ 15,755,227

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

Sales to Inventories	2.43	2.24
Working Capital	$8,655,004	$9,024,308
Current Ratio	4.06	5.75
Shareholders' Equity	$7,315,561	$8,414,170

Pioneer-Standard Electronics, Inc.

4800 East 131st Street
Cleveland, Ohio 44105
(216) 587-3600

Officers: Hyde E. Ruble, chairman of the board; Preston Heller, Jr., chief executive officer; James L. Bayman, exec. v.p. & chief operating officer; Lawrence R. Cowin, Jr., financial vice president, treasurer & asst. secretary; Gerald J. Buddenbaum, Carmen J. Riazzi, Arthur Rhein, Robert S. Stevens, III, Gerald K. Wessling, v.p.'s; John S. Zarka, secretary.

Directors: Hyde E. Ruble, chairman; William C. Fine, Preston Heller, Jr., Victor Gelb, Edwin Z. Singer, Bruce Tucker, John S. Zarka, Frederick A. Downey, James L. Bayman, Thomas C. Sullivan.

Areas of Work: Distributes industrial and consumer electronic components. Also operates laboratories for the manufacture, modification and repair of electronic meters and instruments.

Divisions:

Pioneer/Cleveland Division
4800 E. 131st Street
Cleveland, Ohio 44105
(216) 587-3600

Distributes industrial-type electronic components to manufacturers, research laboratories, schools, governmental agencies, and other users.

Pioneer/South Central Division
4433 Interpoint Boulevard
Dayton, Ohio 45424
(513) 236-9900

Distributes industrial-type electronic components to manufacturers, research laboratories, schools, governmental agencies, and other users.

Pioneer/Instrumentation Division
4800 East 131st Street
Cleveland, Ohio 44105
(216) 587-3600

Operates laboratories for the manufacture, modification, and repair of electronic meters and instruments. The manufactured products include Magsense lies of solid state sensing devices and the "Peaklok," a peak-reading voltmeter.

Pioneer/Northeast Division
60 Crossways Park West
Woodbury, New York 11797

Srepco Division
2290 Arbor Boulevard
Dayton, Ohio 45439
(513) 224-0871

Distributes consumer-type electronic components and units to radio-television repairmen and dealers. Based in Dayton, Ohio and operates branches in nine other Ohio cities.

Affiliate:

Pioneer Technologies Group, Inc
(50% owned)
9100 Gaither Road
Gaithersburg, Maryland 20760
(301) 948-0710

Distributes industrial-type electronic components to manufacturers, research laboratories, schools, governmental agencies, and other users.

Transfer Agent(s):

Bank One, Dayton, N.A.
Kettering Tower
Dayton, Ohio 45401

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PIOS (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1985	$ 233,372,185	$ 3,671,093
1984	229,586,900	4,123,031
1983	144,176,562	1,111,733
1982	110,664,455	2,577,159
1981	94,715,123	3,620,523

	No. of Com. Shares #	Earn. per Share #
1985	5,401,932	$ 0.68
1984	5,397,232	0.76
1983	5,384,132	0.21
1982	5,369,096	0.48
1981	5,298,212	0.68

# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1985	$0.118	—	2-for-1
1984	0.103	—	—
1983	0.093	—	—
1982	0.090	—	—
1981	0.080	—	—

# Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share #
1985	$ 32,139,367	$ 5.95
1984	29,103,002	5.39
1983	25,463,336	4.72
1982	24,798,476	4.61
1981	22,540,411	4.23

# Based on the average number of shares outstanding adjusted to reflect stock split

Income Account *

Year ended March 31	1985	1984
Net sales	$ 233,372,185	$ 229,586,900
Cost of sales	175,246,674	177,444,956
Expenses	45,759,221	40,454,202
Oper. profit	$ 12,366,290	$ 11,687,742
Other income	47,367	82,002
Minority interest	803,075	846,838
Total	$ 13,216,732	$ 12,616,582
Interest expense	6,903,639	5,595,551
Income before taxes	$ 6,313,093	$ 7,021,031
Income taxes	2,642,000	2,898,000
Net Income	$ 3,671,093	$ 4,123,031

* Included in Costs and Expenses, Depreciation and Amortization: $2,102,488 in 1985 and $1,526,137 in 1984.

Assets

As of March 31	1985	1984
Cash	$ 137,192	$ 13,063
Accts. receiv., net	32,990,624	34,361,701
*Inventories	58,596,088	58,892,766
Prepaid expenses	260,421	259,854
Current Assets	$ 91,984,325	$ 93,527,384
Investments & other assets	8,265,930	7,665,823
#Fixed assets	13,472,245	12,609,095
Total Assets	$ 113,722,500	$ 113,802,302

Liabilities

	1985	1984
Long-term debt, curr.	$ 306,734	$ 293,472
Accts. payable	19,891,292	19,990,367
Accruals	2,059,032	2,865,900
Accrued payroll	2,250,769	2,133,942
Income taxes	638,268	887,743
Curr. Liabilities	$ 25,146,095	$ 26,171,424
Long-term debt	55,622,038	57,925,876
Def. inc. taxes	815,000	602,000
+ Common stock	5,401,932	5,401,932
Add. paid-in capital	1,325,829	1,325,829
Retained earnings	25,411,606	22,375,241
Total Liabilities & Shareholders' Equity	$ 113,722,500	$ 113,802,302

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value: $2 stated value.

Statistical Summary

%Income bef. Taxes to Sales	2.71	3.06
%Net Income to Sales	1.57	1.80
%Net Income to Equity	11.42	14.17
Sales to Inventories	3.98	3.90
Working Capital	$66,838,230	$67,355,960
Current Ratio	3.66	3.57
Shareholders' Equity	$32,139,367	$29,103,002

Plantronics, Inc.

1762 Technology Drive
Suite 225
San Jose, California 95110
(408) 998-8388

Officers: Neil J. Hynes, president & chief executive officer; Robert C. Hood, v.p.-finance & treasurer; Robert Lee, v.p.-personnel; John Tymoczko, Jr., v.p.-strategic planning; Thomas W. Stuart, controller; Thomas A. Blinn, sr. v.p.-Telecommunications Group; Ronald N. Borrelli, sr. v.p.-Factory Automation Group.

Directors: Alan B. Simpkins, Trude C. Taylor, Weldon B. Gibson, Stanley F. Damkroger, Clifford A. Warren, Neil J. Hynes, John D. Kemper, J. Sidney Webb.

Areas of Work: Telecommunications -- manufactures lightweight telecommunications headsets, computer controlled data switching systems, telephone transmission products, visual data terminals and data communications products. Automated manufacturing -- manufactures sub assembly incircuit test and measurement equipment for electronic product manufacturers.

Subsidiaries:

Frederick Electronics Corporation
P.O. Box 502
Hayward Road
Frederick, Maryland 21701
(301) 662-5901
Produces solid data switching systems and data communications equipment.

Kentrox Industries, Inc.
14375 N.W. Science Park Drive
Portland, Oregon 97229
(503) 643-1681
Develops and manufactures telephone signal conditioning equipment.

Zehntel, Inc.
1600 South Main Street
Suite 320
Walnut Creek, California 94596
(415) 932-6900
Manufacturer of automated test equipment.

Plantronics/Santa Cruz
345 Encinal Street
Santa Cruz, California 95060
(408) 426-5858

Wilcom Products, Inc.
Rt. 3, Daniel Webster Highway
P.O. Box 508
Laconia, New Hampshire 03246
(603) 524-2622
Telephone test and measurement equipment.

Transfer Agent(s):

First Interstate Bank
405 Montgomery Street
San Francisco, California 94104

Stock Exchange(s): New York, Pacific

Ticker Symbol: PLX

Number of Employees:

1984	2,323	1981	1,592
1983	1,880	1980	1,772
1982	2,166		

Plant Footage:

1984	N.A.	1983	625,000 sq. ft.

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 132,586,000	$ 5,851,000
1983	114,329,000	8,291,000
1982	110,894,000	9,711,000
1981	95,459,000	11,956,000
1980	84,123,000	8,010,000

	No. of Com. Shares #	Earn. per Share #‡
1984	6,589,000	$ 0.89
1983	6,538,000	1.27
1982	6,485,000	1.50
1981	6,448,000	1.86
1980	6,373,000	1.26

+ Of continuing operations only.
‡ Including extraordinary loss of $816,000 ($0.13 per share) in 1981.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.16	—	—
1983	0.16	—	—
1982	0.16	—	—
1981	0.16	—	—
1980	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 90,355,000	$ 13.71
1983	83,671,000	12.86
1982	75,715,000	11.72
1981	67,258,000	10.38
1980	54,003,000	8.49

Income Account *

Year ended	6/2/84	5/28/83
Net sales	$ 132,586,000	$ 114,329,000
Cost of sales	72,354,000	61,356,000
Expenses	45,483,000	39,951,000
Interest expense (income)	529,000	(70,000)
Prov. for. tele. restruc.	7,869,000	—
Gain on sale of invest.	---	(1,432,000)
Income before taxes	$ 6,351,000	$ 14,524,000
Income taxes	500,000	6,233,000
Net Income	$ 5,851,000	$ 8,291,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,816,000 in 1984 and $3,690,000 in 1983.

Assets

As of	6/2/84	5/28/83
Cash	$ 2,401,000	$ 968,000
Marketable securities	10,000	9,827,000
Accts. receiv., net	38,243,000	27,114,000
*Inventories	45,144,000	38,873,000
Prepaid expenses	4,496,000	2,445,000
Current Assets	$ 90,294,000	$ 79,227,000
#Fixed assets	39,120,000	34,650,000
Notes receiv. & other assets	12,480,000	3,671,000
Total Assets	$ 141,894,000	$ 117,548,000

Liabilities

	6/2/84	5/28/83
Accts. payable	$ 12,592,000	$ 6,296,000
Long-term debt, curr.	1,004,000	601,000
Notes payable	9,200,000	—
Accruals	3,743,000	2,986,000
Accrued payroll	4,780,000	4,443,000
Income taxes	916,000	1,615,000
Curr. Liabilities	$ 32,235,000	$ 15,941,000
Long-term debt	15,188,000	11,810,000
Deferred inc. taxes	4,116,000	6,126,000
+ Common stock	13,922,000	11,042,000

Retained earnings	77,430,000	72,629,000
Notes receivable for stockholder	(997,000)	—
Total Liabilities & Shareholders' Equity	$ 141,894,000	$ 117,548,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income before Taxes to Sales	4.79	12.70
%Net Income to Sales	4.41	7.25
%Net Income to Equity	6.48	9.91
Sales to Inventories	2.94	2.94
Working Capital	$58,059,000	$63,286,000
Current Ratio	2.80	4.97
Shareholders' Equity	$10,355,000	$83,671,000

Porta Systems Corp.

575 Underhill Boulevard
Syosset, New York 11791
(516) 364-9300

Officers: Paul V. DeLuca, chairman of the board & chief executive officer; Vincent F. Santulli, president & chief operating officer; William V. Carney, sr. v.p.-operations & secretary; Garet M. Romeo, exec. v.p.; Eladio Rodriguez, v.p.-Caribbean operations; Michael A. Tancredi, v.p.-finance & treasurer; John Gazze, v.p.-research & development; Geoffrey W. Crowley, v.p.-Connector Products; Warren Marcus, v.p.-Electronic Products; Jane M. Jozefek, v.p. & general counsel; Daniel J. Fleming, controller.

Directors: Paul V. DeLuca, chairman; Vincent F. Santulli, William V. Carney, Michael A. Tancredi, Paul Kelly, Thomas Connors, Leopold P. Oberst, Garet M. Romeo.

Areas of Work: Designs and manufactures telecommunications systems and equipment for telephone operating companies and suppliers and manufacturers of telecommunications systems and equipment. Major products include equipment used to connect lines and trunks entering central offices with central office equipment, and to provide electrical protection to switching equipment and office personnel; and computer-based electronic systems for testing and identifying faults with subscriber lines and central office switching equipment.

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 W. 33rd Street
New York, New York 10001

Stock Exchange(s): American

Ticker Symbol: PSI (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 29,433,994	$ 1,798,080
1983	22,953,112	572,485
1982	23,120,721	2,468,947
1981	19,096,695	1,973,096
1980	15,122,551	605,791

	No. of Com. Shares #	Earn. per Share #
1984	5,461,560	$ 0.33
1983	5,458,260	0.11
1982	5,448,410	0.45
1981	5,446,310	0.36
1980	5,395,710	0.11

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	3-for-2
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 18,846,358	$ 3.45
1983	16,985,053	3.11
1982	16,389,603	3.01
1981	13,876,220	2.55
1980	11,796,999	2.19

‡ Based on the weighted number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 29,433,994	$ 22,953,112
Cost of sales	16,919,017	13,035,369
Expenses	10,309,550	8,836,231
Other expense	1,144,790	509,027
Cum. effect of accounting change	(737,443)	—
Net Income	$ 1,798,080	$ 572,485

* Included in Costs and Expenses, Depreciation and Amortization: $649,743 in 1984 and $477,096 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 567,874	$ 1,890,123
Accts. receiv., net	11,705,538	11,122,541
*Inventories	17,444,913	12,338,491
Prepaid expenses & other assets	147,388	82,956
Current Assets	$ 29,865,713	$ 25,434,111
#Fixed assets	4,005,432	2,180,692
Def. computer software	2,087,342	1,700,000
Intangibles	86,438	74,701
Defer. charges	329,800	90,377
Total Assets	$ 36,374,725	$ 29,479,881

Liabilities

Loans payable	$ 10,570,000	$ 8,500,000
Accts payable	5,633,154	3,226,152
Accruals	1,245,479	677,896
Cust. credits	79,734	90,780
Curr. Liabilities	$ 17,528,367	$ 12,494,828
+Common stock	54,643	54,605
Add. paid in capital	7,360,781	7,297,094
Retained earnings	11,433,684	9,635,604
Treasury stock	(2,750)	(2,250)
Total Liabilities & Shareholders' Equity	$ 36,374,725	$ 29,479,881

* At lower of cost (FIFO) or market.
# Less accumulated depreciation & amortization.
+ $0.01 par value.

Statistical Summary

%Net Income to Sales	6.11	2.49
%Net Income to Equity	9.54	3.37
Sales to Inventories	1.69	1.86
Working Capital	$12,337,346	$12,939,283
Current Ratio	1.70	2.17
Shareholders' Equity	$18,846,358	$16,985,053

Powell Industries, Inc.

P.O. Box 12818
Houston, Texas 77217
(713) 944-6900

Officers: Thomas W. Powell, chairman of the board, president, & chief executive officer; A.L. Chamberlin, exec. v.p. & president-Powell Electrical Mfg. Co.; Robert L. Mitchell, v.p., secretary & treasurer; Mauro G. Togneri, president-Powell Process Systems, Inc.; N.A. Holian, president-Unibus, Inc.; Adam Janas, president-Delta Unibus, Inc.; Larry D. Davis, president-U.S. Turbine corp.; W.C. Sargent, president-Raintight Corporation.

Directors: Thomas W. Powell, chairman; Nathaniel H. Conder, A.L. Chamberlin, Jesse R. Milam, Jr., Elbert D. Stewart, George W. Hansen, William E. Ladin.

Areas of Work: Designs, manufactures, and markets electrical power distribution and control systems, pre-packaged electrical and instrumentation control room buildings, patented and proprietary electronic and computerized process control products and systems and digital control valves.

Divisions and Subsidiaries:

Powell Electrical Manufacturing Company
P.O. Box 12818
8550 Mosley Drive
Houston, Texas 77075
(713) 944-6900

Powell-Process Systems, Inc.
Houston Operation
P.O. Box 12848
8540 Mosley Drive
Houston, Texas 77075
(713) 947-9470

Powell-Process Systems, Inc.
Costa Mesa Operation
225 Paularino Avenue
Costa Mesa, California 92626
(714) 556-4500

Powell-Magnetics Industries, Inc.
P.O. Box 12848
Houston, Texas 77217
(713) 947-9470

Powell Industries Offshore
16535 Jacintoport Boulevard
Channelview, Texas 77530

Powell Overseas, Inc.
P.O. Box 12818
Houston, Texas 77217

Process Investment Company
P.O. Box 12818
Houston, Texas 77217

Powell International Corporation
P.O. Box 12818
Houston, Texas 77217

Powell-Varco Systems, Inc.
P.O. Box 12848
Houston, Texas 77217

Acquisition(s):

Unibus, Inc.
Manufactures custom designed bar and cable bus systems for utilities, general industry and research and development facilities.

Delta-Unibus Corporation
Manufactures isolated phase bus duct used primarily in high reliability, maximum protection power generation applications.

U.S. Turbine Corporation
Manufactures gas turbine generator sets for utilities and general industry, including cogeneration systems.

Diversified Power Systems, Inc.
Designs and manufactures power oriented high technology products such as the SCR/OC drive package.

Raintight Corporation
Designs and manufactures modular buildings.

Transfer Agent(s):

InterFirst Bank Houston, N.A.
Trust Department
P.O. Box 2555
InterFirst Plaza
Houston, Texas 77001

Stock Exchange(s): Over-the-Counter

Ticker Symbol: POWL (NASDAQ)

Powell Industries, Inc.

Number of Employees:

1984	N.A.	1983	346

Plant Footage:

1984	N.A.	1983	334,000 sq. ft.

N.A. - Not Available.

Sales and Earnings ×

	Revenues +	Net Income
1984	$ 61,558,000	$ 1,060,000
1983	56,389,000	1,252,000
1982	61,816,000	2,502,000
1981	59,879,000	3,280,000
1980	48,340,000	3,280,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	10,204,482	$ 0.10
1983	10,204,482	0.17
1982	10,204,482	0.12
1981	10,203,518	0.25
1980	10,200,482	0.32

× Restated to include operations of Diversified Power Systems, Inc., acquired on a pooling of interests basis.
+ Of continuing operations only.
‡ Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Electronics distribution equipment	$ 49,751,000	$ 46,522,000
Process control indust.	11,807,000	9,867,000
Total	$ 61,558,000	$ 56,389,000

Common Stock Equity ×

	Total Equity	Equity Per Share ‡
1984	$ 23,201,000	$ 2.27
1983	22,141,000	2.17
1982	20,403,000	2.00
1981	19,160,000	1.88
1980	16,553,000	1.62

× Restated
‡ Based on the average number of shares outstanding.

Income Account *

Year ended Oct. 31	1984	1983 ‡
Revenues	$ 61,558,000	$ 56,389,000
Cost of sales	45,947,000	41,833,000
Expenses	10,578,000	8,850,000
Interest expense	861,000	725,000
Res. & develop.	1,515,000	1,601,000
Income before taxes	$ 2,657,000	$ 3,380,000
Income taxes	1,597,000	1,625,000
Net Income	$ 1,060,000	$ 1,755,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,795,000 in 1984 and $1,318,000 in 1983.
‡ Restated.

Assets

As of Oct. 31	1984	1983 ‡
Cash	$ 374,000	$ 109,000
Accts. receiv., net	11,925,000	10,556,000
*Inventories	13,102,000	13,145,000
Prepaid expenses	326,000	117,000
Current Assets	$ 25,727,000	$ 23,927,000
#Fixed assets	15,516,000	10,935,000
Other assets	2,465,000	1,514,000
Total Assets	$ 43,708,000	$ 36,376,000

Liabilities

Long-term debt, curr.	$ 189,000	$ 3,765,000
Accts. payable	3,566,000	3,731,000
Accruals	2,848,000	1,237,000
Accrued payroll	1,908,000	1,273,000
Income taxes	447,000	900,000
Progress billings	309,000	139,000
Curr. Liabilities	$ 9,267,000	$ 11,045,000
Long-term debt	7,725,000	710,000
Deferred inc. taxes	2,543,000	1,599,000
Deferred comp.	972,000	881,000
+ Common stock	102,000	102,000
Add. paid-in capital	2,903,000	2,903,000
Retained earnings	20,196,000	19,136,000
Total Liabilities & Shareholders' Equity	$ 43,708,000	$ 36,376,000

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.32	5.99
%Net Income to Sales	1.72	3.11
%Net Income to Equity	4.57	7.93
Working Capital	$16,460,000	$12,882,000
Current Ratio	2.78	2.17
Shareholders' Equity	$23,201,000	$22,141,000

Pratt-Read Corporation

Ivoryton, Connecticut 06442
(203) 767-8282

Officers: Peter H. Comstock, chairman of the board; Harwood B. Comstock, president & chief executive officer; Charles A. Ruhe, secretary & treasurer; Gerald B. LeVasseur, controller.

Directors: Peter H. Comstock, chairman; John H. Bloodgood, James E. Chandler, Carter S. Evans, Stuart C. Hemingway, Jr., Robert E. McGill, III, Henry Z. Steinway, Wilmot F. Wheeler, Jr., James H. Tucker, Charles A. Ruhe, Harwood B. Comstock.

Divisions and Subsidiaries:

The Bristol Saybrook Company
Old Saybrook Connecticut 06475
(203) 388-3414

Synchronous motors for timing devices, such as chart drives, time recording equipment, humidifiers and ice makers; elapsed time, fixed interval, time delay and repeat cycle timers; programmers, coded signal receivers, corrective clock movements for master systems.

Allen-Rogers Corporation
Laconia, New Hampshire 03246
(603) 524-2060

Turned and shaped wood products for household appliances, toys and games, furniture, sporting goods, small tools, brushes and utensils.

Altron, Inc.
Westerly, Rhode Island 02891
(401) 596-4309

Bobbin-wound and multiple-wound coils for motors, relays and solenoid valves; transformers and chokes for the communications field.

The Cornwall & Patterson Company
Bridgeport, Connecticut 06605
(203) 366-4911

Piano hardware for actions and cases; screwdriver blades, awls, chisels, tack pullers, power bits and wire forms, pins, paper fasteners and metal stampings.

Pratt, Read & Co.
Ivoryton, Connecticut 06442
(203) 767-8282

Piano keyboards and actions; plastic and metal keyboard assemblies, printed circuits and switching devices for electronic organs. Squares and dowels for turned wood products.

Sohmer & Co., Inc.
Ivoryton, Connecticut 06442

Manufactures vertical and grand pianos.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): American

Ticker Symbol: PRA

Number of Employees:

1984	1,150	1981	1,400
1983	1,250	1980	1,305
1982	1,100		

Plant Footage:

1984	715,000 sq. ft.	1981	715,000
1983	715,000	1980	715,000
1982	715,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 40,818,000	$ 414,000
1983	35,812,000	785,000
1982	37,672,000	1,225,000
1981	37,825,000	1,172,000
1980	36,732,000	1,466,000

	No. of Com. Shares	Earn. per Share ‡
1984	1,543,873	$ 0.16
1983	1,543,873	0.40
1982	1,543,873	0.68
1981	1,543,873	0.65
1980	1,547,873	0.84

+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Wood products	$24,100	58%	$23,100	63%
Metal shaping	9,000	21	7,300	20
Electromechanical items	8,700	21	6,400	17
Intercompany sales	(1,000)	—	(1,000)	—
Total	$40,800	100%	$35,800	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.30	—	—
1983	0.30	—	—
1982	0.30	—	—
1981	0.30	—	—
1980	0.30	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 14,634,777	$ 9.48
1983	14,855,292	9.62
1982	14,704,350	9.52
1981	14,114,212	9.14
1980	13,601,000	8.81

‡ After allowing for preferred stock at stated value of $12 per share.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 40,818,012	$ 35,812,070
Cost of sales	35,970,906	30,828,612
Expenses	3,900,856	3,697,650

Interest expense	162,173	376,138
Other charges	119,304	68,336
Income before taxes	$ 664,773	$ 841,334
Income taxes	250,711	55,841
Net Income	$ 414,062	$ 785,493

* Included in Costs and Expenses, Depreciation and Amortization: $1,271,690 in 1984 and $1,163,374 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 314,490	$ 574,511
Accts. & notes receiv., net	4,977,417	4,631,246
Inc. taxes recov.	165,669	—
*Inventories	8,821,303	9,453,446
Prepaid expenses	196,553	353,449
Current Assets	$ 14,475,432	$ 15,012,652
#Fixed assets	7,809,514	8,220,424
Other assets & defer. charges	110,214	150,494
Total Assets	$ 22,395,160	$ 23,383,570

Liabilities

Accts. payable	$ 1,305,448	$ 2,023,812
Accrued payroll	581,393	616,511
Dividends payable	158,637	158,638
Income taxes	50,557	55,778
Other liabilities	793,716	563,196
Long-term debt, curr.	77,286	97,132
Curr. Liabilities	$ 2,967,037	$ 3,515,067
Long term debt	795,349	1,173,950
Deferred compensation	234,453	255,912
Deferred income taxes	541,568	361,373
+ Preferred stock	3,221,976	3,221,976
+ + Common stock	2,333,413	2,333,413
Add. paid-in capital	619,500	619,500
Retained earnings	11,808,240	12,028,755
Treasury stock	(126,376)	(126,376)
Total Liabilities & Shareholders' Equity	$ 22,395,160	$ 23,383,570

* At lower of cost (LIFO) or market

# Less accumulated depreciation.

+ $12 stated value, Series A, $0.66 cumulative convertible.

+ + $1.50 par value

Statistical Summary

% Income before Taxes to Sales	1.63	2.35
% Net Income to Sales	1.01	2.19
% Net Income to Equity	2.32	4.35
Sales to Inventories	4.63	3.79
Working Capital	$11,508,395	$11,497,585
Current Ratio	4.88	4.27
Shareholders' Equity	$17,856,753	$18,077,268

Premier Industrial Corporation

4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Officers: Morton L. Mandel, chairman of the board; Jack N. Mandel, finance committee chairman; Joseph C. Mandel, executive committee chairman; Robert Warren, president; William M. Hamilton, sr. v.p. Philip S. Sims, sr. v.p. & treasurer; Grant C. Grinnell, v.p. & secretary; J. Robert McCabe, Richard B. Batts, Denis M. Bohm, Bruce W. Johnson, David R. Eva, Denis A. Moore, William H. Barnes, vice presidents; Phillip Vander Pol, v.p. & controller.

Directors: John C. Colman, John A. Gelbach, Jack N. Mandel, Joseph C. Mandel, Morton L. Mandel, Hugh Calkins, Harvey Mahlig, Robert Warren.

Divisions and Subsidiaries:

Electronics Distribution Group

Newark Electronics
500 North Pulaski Street
Chicago, Illinois 60624
(312) 638-4411

Electronic components and equipment including semiconductors, integrated circuits, switches, relays, test and sound equipment, capacitors, resistors and connectors.

Cadillac Electric
20700 Hubbell Avenue
Oak Park, Michigan 48237
(313) 967-1221

Electrical items including wire and cable, roughing-in materials, motor controls, distribution equipment, lamps, fuses, wiring devices and other electrical maintenance products.

Trexon Electronics

Electronic components including switches, relays, capacitors, resistors, connectors, semiconductors, integrated circuits and test equipment.

Hoffman Industrial Products
170 Allen Boulevard
Farmingdale, New York 11735
(516) 293-5244

National supplier of electrical and related products.

Car-lac Electronics
75 Orville Drive
Bohemia, New York 11716
(516) 567-4200

Electronic interconnection devices and associated hardware.

MCM Electronics
858 E. Congress Park Drive
Centerville, Ohio 45459
(513) 434-0031

Electronic components and equipment for the installation and repair of consumer and commercial equipment.

Industrial Maintenance Products Group

Brook Technology
3304 East 87th Street
Cleveland, Ohio 44127
(216) 641-5100

Industrial and specialty greases, open gear lubricants, gear oils, corrosion preventives, cutting and grinding fluids, wire rope lubricants, roll oils, and drawing and forging compounds.

C-T Engineering
4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Heavy-duty fasteners, special hardware and parts for construction transportation equipment.

Certanium Alloys and Research
4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Special welding electrodes, brazing alloys, fluxes, solders, and welding aids.

Premier Fastener
4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

High performance cap screws, nuts, washers, screws, specialty fasteners and industrial shop supplies.

Premier Autoware
4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Replacement parts for cars and trucks, including special hardware and shop supplies.

J.I. Holcomb
4500 Euclid Avenue
Cleveland, Ohio 44103
(216 391-8300

Cleaners, disinfectants, degreasers and protective coatings for industrial, commercial, and institutional applications. Insecticides, floor conditioners and floor maintenance products.

Kent Industries
4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Adhesives, cements, sealants, caulks, cleaners and related application equipment for the automotive and marine industries.

Rotanium Products
4500 Euclid Avenue
Cleveland, Ohio 44103
(216) 391-8300

Electrical systems components and other specialty products such as industrial lamps, terminals, connectors, fittings, clamps and building hardware.

TPC Wire & Cable
20700 Hubbell Avenue
Oak Park, Michigan 48237
(313) 967-0582

Extra heavy-duty electrical cord, cable and associated devices.

D-A Lubricant Company, Inc.
1340 West 29th Street
Indianapolis, Indiana 46208
(317) 923-5321

Engine oils and greases for heavy-duty diesel driven equipment.

Maintenance, Inc.
1051 West Liberty Street
Wooster, Ohio 44691
(216) 264-6262

Coatings to protect and color off-street asphalt and concrete pavements and recreational areas.

Fire Fighting Products Group

Akron Brass Co.
Spruce Street
P.O. Box 86
Wooster, Ohio 44691
(216) 264-5100

Fire-fighting components including nozzles, hose couplings, valves and specialized fire-fighting equipment.

Western Fire Equipment Co.
440 Valley Drive
Brisbane, California 94005
(415) 467-5650

Forestry, municipal and industrial fire-fighting equipment, including portable tanker units, protective clothing and specialized fire-fighting tools.

Transfer Agent(s):

AmeriTrust Company
P.O. Box 6477
Cleveland, Ohio 44101

Stock Exchange(s): New York

Ticker Symbol: PRE

Number of Employees:

1984	3,300	1981	3,100
1983	2,900	1980	3,500
1982	3,100		

Plant Footage:

1984	1,810,000 sq. ft.	1981	1,485,000
1983	1,800,000	1980	1,485,244
1982	1,510,000		

Sales and Earnings

	Oper. Revenues	Net Income
1984	$ 377,593,000	$ 38,350,000
1983	317,423,000	30,984,000
1982	332,215,000	34,589,000
1981	317,470,000	32,446,000
1980	317,738,904	31,347,816

	No. of Com. Shares ‡	Earn. per Share ‡
1984	20,551,840	$ 1.87
1983	20,859,226	1.49
1982	20,886,454	1.66
1981	20,864,850	1.56
1980	20,922,748	1.50

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Industrial maintenance	$ 126,734,000	$ 117,123,000
Fire-fighting products	26,700,000	26,824,000
Electronic & electrical components	224,159,000	173,476,000
Total	$ 377,593,000	$ 317,423,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.440	—	—
1983	0.420	—	—
1982	0.380	—	—
1981	0.340	—	2-for-1
1980	0.256	—	3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 177,265,000	$ 8.63
1983	184,885,000	8.86
1982	164,977,000	7.90
1981	138,586,000	6.64
1980	114,049,508	5.45

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account

Year ended May 31	1984	1983
Oper. revenues	$ 377,593,000	$ 317,423,000
Other income	6,238,000	8,321,000
Revenues	$ 383,831,000	$ 325,744,000
Cost of sales	208,307,000	170,511,000
Expenses	99,299,000	91,638,000
Income taxes	3,556,000	3,497,000
Depreciation & amortization	4,513,000	4,195,000
Interest expense	427,000	350,000
Income before taxes	$ 67,729,000	$ 55,553,000
Income taxes	29,379,000	24,569,000
Net Income	$ 38,350,000	$ 30,984,000

Assets

As of May 31	1984	1983
Cash	$ 35,500,000	$ 53,410,000
Receiv., net	62,470,000	50,317,000
*Inventories	58,591,000	46,638,000
Refundable income taxes	—	6,819,000
Prepaid expenses	11,427,000	1,368,000
Current Assets	$ 167,988,000	$ 158,552,000
#Fixed assets	28,611,000	28,114,000
Other assets	32,879,000	37,131,000
Total Assets	$ 229,478,000	$ 223,797,000

Liabilities

Long-term debt, curr.	$ 72,000	$ 64,000
Payables	23,468,000	18,374,000
Accruals	12,415,000	11,387,000
Income taxes	3,097,000	—
Curr. Liabilities	$ 39,052,000	$ 29,825,000
Deferred inc. taxes	12,776,000	8,633,000
Long-term debt	385,000	454,000
+ Common stock	21,176,000	21,176,000
Add. paid-in capital	1,437,000	1,016,000
Retained earnings	201,516,000	172,160,000
Foreign currency translation	(1,389,000)	(880,000)
Treasury stock	(45,475,000)	(8,587,000)
Total Liabilities & Shareholders' Equity	$ 229,478,000	$ 223,797,000

* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.94	17.50
%Net Income to Revenues	10.16	9.76
%Net Income to Equity	21.63	16.76
Working Capital	$128,936,000	$128,727,000
Current Ratio	4.30	5.32
Shareholders' Equity	$177,265,000	$184,885,000

Prestige Electronics, Inc.

(formerly Circuit Science, Inc.)

9628 6th Avenue No.
Minneapolis, Minnesota 55441
(612) 544-8655

Officers: Richard J. Borden, chairman; Hilding C. Nelson, president & secretary; Gary A. Grev, treasurer; Irvin Lust, Clifford Hinson, v.p.'s.

Directors: R.J. Borden, Hilding C. Nelson.

Areas of Work: Manufactures and assembles printed and multi-layer printed circuit boards.

Divisions:

Multaplex Division
2160 Walsh Avenue
2595 Martia Avenue
1100 Comstock Street
Santa Clara, California 95050
(408) 727-4033

Engaged in the manufacture of multi-layer printed circuit boards.

Transfer Agent(s):

First National Bank
6th and Marquette
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Number of Employees:

1983	350	1980	165
1982	230	1979	198
1981	NA*		

Plant Footage:

1983	75,000 sq.ft.	1980	59,000
1982	59,000	1979	59,000
1981	59,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income †
1983	$ 20,092,915	$ 1,022,017
1982	13,675,987	332,360
1981	11,452,362	588,245
1980	9,072,105	245,355
1979	8,891,025	542,720

	No. of Com. Shares	Earn. per Share # †
1983	106,040	$ 9.64
1982	106,040	3.13
1981	106,190	5.54
1980	106,190	2.31
1979	106,190	5.10

# Based on the weighted average number of common shares and common share equivalents outstanding.
† Including extraordinary gains of $141,015 ($1.33 per share) in 1980 and $227,243 ($2.13 per share) in 1979.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$0.20	—	—
1982	0.20	—	—
1981	0.10	—	—
1980	0.10	—	—
1979	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 3,943,224	$ 37.19
1982	2,942,415	27.75
1981	2,633,073	24.80
1980	2,055,512	19.36
1979	1,819,905	17.14

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 20,092,915	$ 13,675,987
Cost of sales	14,854,067	11,029,693
Expenses	2,049,800	1,726,321
Bad debts	1,225,788	45,633
Interest expense	266,471	309,703
Rental income	(30,000)	(18,421)
Interest & other expense (income)	(13,228)	5,698
Income before taxes	$ 1,740,017	$ 577,360
Income taxes	718,000	245,000
Net Income	$ 1,022,017	$ 332,360

* Included in Costs and Expenses, Depreciation and Amortization: $470,671 in 1983 and $415,787 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 140,979	$ 182,415
Accts. receiv., net	3,790,720	1,696,573
*Inventories	1,370,319	813,914
Prepaid expenses	84,669	58,572
Current Assets -	$ 5,386,687	$ 2,751,474
#Fixed assets	4,070,354	2,630,089
Other assets	394,779	358,081
Total Assets	$ 9,851,820	$ 5,739,644

Liabilities

Long-term debt, curr.	$ 377,595	$ 158,349
Accts. payable	1,296,694	279,722
Loan payable	19,208	108,715
Accruals	6,549	228,655
Accrued compensation	242,179	120,617
Income taxes	331,881	20,014
Other taxes	49,122	52,242
Curr. Liabilities	$ 2,323,228	$ 968,314
Long-term debt	3,311,368	1,659,715
Deferred inc. taxes	274,000	169,200
+ Common stock	6,939	6,939
Retained earnings	4,181,881	3,181,072
Treasury stock	(245,596)	(245,596)
Total Liabilities & Shareholders' Equity	$ 9,851,820	$ 5,739,644

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.66	4.22
%Net Income to Sales	5.09	2.43
%Net Income to Equity	25.92	11.30
Sales to Inventories	14.66	16.80
Working Capital	$3,063,459	$1,783,160
Current Ratio	2.32	2.84
Shareholders' Equity	$3,943,224	$2,942,415

PRIME Computer, Inc.

Prime Park
Natick, Massachusetts 01760
(617) 655-8000

Officers: David J. Dunn, chairman of the board; Joe M. Henson, president & chief executive officer; Roland D. Pampel, v.p.-research & development; Edward J. Christiansen, v.p.-engineering operations & custom systems; Ian R.G. Edmonds, v.p.-systems & product marketing; David J. Collard, v.p.-finance, administration & planning and chief financial officer; Richard L. Ballantyne, v.p., gen. counsel & secretary; Bernard F. Bradstreet, treasurer; Richard B. Goldman, corporate controller; Gale R. Aguilar, v.p.-corporate business development & strategy; W.L. Brubaker, v.p.-sales; Marvin G. Kirby, v.p.-domestic sales; John T. Maske, v.p.-manufacturing & service; D. Cheesman, v.p.-international development; Andrew C. Knowles III, v.p.-CAD/CAM and workstations/terminals group; Leonard F. Halio, v.p.-video products; Richard B. Snyder, v.p.-software development.

Directors: David J. Dunn*, chairman; Frank P. Brunetta, John S. Dulaney*, Harold A. Strickland, Jr., Joe M. Henson*, Francis H. Zenie, John E. Nolan, Jr.

* Member of the Executive Committee.

Areas of Work: Design, manufacture, sale and service of small and medium size general purpose digital computers and interactive computer systems.

Subsidiaries:

Prime Computer (U.K.) Limited (United Kingdom)
Prime Computer GmbH (West Germany)
Prime Informatique, S.A. (France)
Prime Computer Scandinavia AB
Prime Computer International Sales Corporation

Transfer Agent(s):

The First National Bank of Boston
Shareholder Services Division
P.O. Box 644
Boston, MA 02102

Stock Exchange(s): New York

Ticker Symbol: PRM

Number of Employees:

1984	7,348	1981	4,639
1983	5,927	1980	4,011
1982	5,311		

Plant Footage:

1984	N.A.	1981	948,000
1983	N.A.	1980	628,000
1982	948,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 642,779,000	$ 59,712,000
1983	516,503,000	32,503,000
1982	435,826,000	44,926,000
1981	364,787,000	37,678,000
1980	267,637,000	31,222,000

	No. of Com. Shares +	Earn. per Share +
1984	47,910,678	$ 1.25
1983	47,863,089	0.68
1982	45,512,862	0.99
1981	45,085,943	0.84
1980	43,924,968	0.71

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	3-for-2
1982	—	—	—
1981	—	—	—
1980	—	—	3-for2

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 325,002,000	$ 6.78
1983	268,179,000	5.60
1982	228,907,000	5.03
1981	142,458,000	3.16
1980	98,898,000	2.25

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 642,779,000	$ 516,503,000
Cost of sales	301,663,000	242,934,000
Expenses	203,702,000	170,530,000
Prod. devel. & eng.	64,062,000	52,074,000
Interest expense	1,014,000	1,686,000
Other expense	2,035,000	1,482,000
Income before taxes	$ 70,303,000	$ 47,797,000
Income taxes	10,591,000	15,294,000
Net Income	$ 59,712,000	$ 32,503,000

* Included in Costs and Expenses, Depreciation and Amortization: $39,750,000 in 1984 and $29,344,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 41,292,000	$ 45,069,000
Accts. receiv., net	174,985,000	161,139,000
*Inventories	96,102,000	85,219,000
Prepaid exp. & deposits	9,735,000	7,548,000
Current Assets	$ 322,114,000	$ 298,975,000
#Fixed assets	158,234,000	134,528,000
Other assets	21,691,000	11,237,000
Total Assets	$ 502,039,000	$ 444,740,000

Liabilities

	1984	1983
Notes payable	$ 3,490,000	$ 5,645,000
Equip. lease oblig., curr.	3,632,000	891,000
Accts. payable	32,282,000	40,985,000
Accrued payroll	17,454,000	11,878,000
Deferred revenue	5,418,000	4,701,000
Income taxes	168,000	1,416,000
Deferred inc. taxes	7,086,000	9,859,000
Other curr. liab.	19,154,000	20,635,000
Curr. Liabilities	$ 88,684,000	$ 96,010,000
Notes payable	10,000,000	10,000,000
Equip. lease oblig.	5,355,000	6,279,000
Other liab.	1,370,000	—
Deferred inc. taxes	71,628,000	64,272,000
+ Common stock	600,000	595,000
Add. paid-in capital	101,486,000	97,732,000
Retained earnings	235,104,000	175,392,000
Cumulative translation adjustment	(8,891,000)	(5,540,000)
Treasury stock	(3,297,000)	—
Total Liabilities & Shareholders' Equity	$ 502,039,000	$ 444,740,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.0125 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	10.94	9.25
%Net Income to Sales	9.29	6.29
%Net Income to Equity	18.37	12.12
Sales to Inventories	6.69	6.06
Working Captital	$233,430,000	$202,965,000
Current Ratio	3.63	3.11
Shareholders' Equity	$325,002,000	$268,179,000

Princeton Electronic Products, Inc.

P.O. Box 101
North Brunswick, New Jersey 08902
(201) 297-4448

NOTE: On May 1, 1981 the Company filed a petition for reorganization under Chapter XI of the Bankruptcy Act. On Aug. 18, 1982, the Court confirmed the plan of reorganization.

Officers: Hyman Center, president; Lloyd D. Feld, secretary.

Directors: Hyman Center, Lloyd D. Feld, George A. Gade.

Areas of Work: Manufactures and sells video graphic scan converters and storage terminals used in medical electronics applications including ultrasound diagnostic systems, also used in radar and sonar display systems and facsimile transmission systems.

Transfer Agent(s):

American Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PELT (NASDAQ)

Number of Employees:

1984	N.A.	1981	N.A.
1983	N.A.	1980	23
1982	17		

Plant Footage:

1984	N.A.	1981	14,000
1983	N.A.	1980	14,000
1982	14,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income #
1984	$ 617,839	$ 3,595
1983	842,346	476,764
1982	1,132,214	10,241
1981	1,211,338	(414,028)
1980	2,037,072	(770,260)

	No. of Com. Shares ‡	Earn. per Share #‡
1984	7,340,347	$ —
1983	6,026,268	0.08
1982	1,468,102	0.01
1981	1,378,246	—
1980	1,329,636	—

(Loss)
Including extraordinary gains of $573 in 1984 and $478,561 ($0.08 per share) in 1983.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 591,446†	$ —
1983	584,338†	0.08
1982	575,689†	0.39
1981	84,998	0.06
1980	499,130	0.38

‡ Based on the weighted average number of common shares and common share equivalents outstanding.
† After allowing for preferred stock at stated value

Income Account *

Year ended May 31	1984	1983
Net sales	$ 617,839	$ 842,346
Interest income	2,479	9,595
Gain on sale of fixed assets	35,000	—
Total revenues	$ 655,318	$ 851,941
Cost of sales	455,214	565,742

Expenses	175,277	240,831
Interest expense	4,732	10,831
Bad debt exp	16,794	33,634
Inc. bef. taxes	$ 3,301	$ 903
Income taxes	279	2,700
Net Income (Loss)	$ 3,022	$ (1,797)
Extraord. gains	573	478,561
Net Income (Loss) & extraord gains	$ 3,595	$ 476,764

* Included in Costs and Expenses. Depreciation and Amortization: $26,782 in 1984 and $77,052 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 153,520	$ 22,732
Notes receivable	21,438	—
Accts. receiv., net	59,690	84,639
*Inventories	457,977	617,501
Prepaid expenses	11,772	4,687
Current Assets	$ 704,397	$ 729,559
#Fixed assets	37,708	59,754
Security deposits	3,083	3,235
Intangibles	40,922	74,533
Notes receivable	1,870	—
Total Assets	$ 787,980	$ 867,081

Liabilities

Notes payable	$ 17,924	$ 57,668
Accts. payable	29,543	46,701
Accruals	28,682	35,826
Income taxes	762	1,488
Curr. Liabilities	$ 76,911	$ 141,683
Other liabilities	17,925	35,849
+ Preferred stock	101,698	105,211
+ Common stock	1,420,113	1,416,600
Add. paid-in capital	1,111,170	1,111,170
Deficit	(1,939,837)	(1,943,432)
Total Liabilities & Shareholders' Equity	$ 787,980	$ 867,081

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	0.53	0.11
%Net Income to Sales	0.49	—
%Net Income to Equity	0.44	—
Sales to Inventories	1.35	1.36
Working Capital	$627,486	$587,876
Current Ratio	9.16	5.15
Shareholders' Equity	$693,144	$689,549

Pullman Transportation Company Inc.

182 Nassau Street
Princeton, New Jersey 08540

Officers: James R. Shepley, chairman of the board; Thomas M. Begel, president & chief executive officer; Owen F. Leonard, v.p. & chief financial officer; Andrew M. Massimilla, v.p.-operations; William D. Sivitz, v.p. & general counsel; Peyton H. Houston, secretary.

Directors: Toufic Aboukhater, Thomas M. Begel, Andrew J. Chitiea, James E. Donlan, Said Khoury, Edward A. Montgomery, Jr., Paul M. Montrone, James R. Shepley, Steven Shulman.

Areas of Work: The company is a leading manufacturer of truck trailers, under the Trailmobile name; through PTC Aerospace, Pullman products aircraft seating and food service systems; through Pullman Technology, the company provides engineering services to the transportation industry; and through REDM Industries, Pullman serves the computer, telecommunications and defense industries.

Divisions and Subsidiaries:

Trailmobile
Manufactures truck trailers.

PTC Aerospace
Manufactures aircraft seating, galleys, and food service systems.

Pullman Technology Inc.
Railcar engineering services.

REDM Industries
Manufactures computer and telecommunications components.

Rexon Technology Corp.
Manufactures electronic and electromechanical components of weapon systems for the Defense Department.

Transfer Agent(s):

Mellon Bank, N.A.
Stock Transfer
P.O. Box 444
Pittsburgh, PA 15230

Stock Exchange(s): Over-the-Counter

Ticker Symbol: PTCI (NASDAQ)

Sales and Earnings

	Revenues +	Net Income ‡
1984	$ 214,198,000	$ 10,488,000
1983	—	(41,633,000)
1982	—	(18,827,000)
1981	—	8,998,000

	No. of Com. Shares	Earn. per Share ‡†
1984	20,917,314	$ 0.51
1983	8,747,525	—
1982	8,706,179	—
1981	8,706,179	—

(Loss)
+ Of continuing operations only.
‡ Including extraordinary gain of $4,824,000 ($0.24 per share) in 1984.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 18,283,000	$ 0.87

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Revenues	$ 214,198	$ —
Cost of sales	180,692	—
Expenses	20,807	—
Interest expense	1,877	—
Interest income	(646)	—
Other income	(832)	—
Income before taxes	$ 12,300	$ —
Income taxes	5,658	—
Income from cont. oper.	$ 6,642	$ —
Loss from discont. oper.	(978)	(41,633)
Net Income (Loss)	$ 5,664	$ (41,633)
Extraord. gain	4,824	—
Net Income (Loss) & extraord. gain	$ 10,488	$ (41,633)

* Included in Costs and Expenses. Depreciation and Amortization: $1,977,000 in 1984.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & short-term invest.	$ 21,980	$ 621
Accts. receiv., net	27,522	365
*Inventories	36,372	4,556
Prepaid expenses	584	—
Assets held for dispos.	—	17,300
Current Assets	$ 86,458	$ 22,842
#Fixed assets	26,736	454
Other assets	386	—
Total Assets	$ 113,580	$ 23,296

Liabilities
(000's)

Long-term debt, curr.	$ 300	$ —
Accts. payable	32,785	229
Accruals	42,832	7,874
Curr. Liabilities	$ 75,917	$ 8,103
Long-term debt	16,717	15,000
+ Preferred stock	—	26,107
+ Common stock	2,092	875
Add. paid-in capital	60,935	25,266
Accum. deficit	(44,744)	(55,232)
Total Liabilities & Shareholders' Equity	$ 113,580	$ 23,296

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	30.98	—
Working Capital	$10,541,000	$14,739,000
Current Ratio	1.14	2.82
Shareholders' Equity (Deficiency)	$18,283,000	$(2,984,000)

Quantronix Corporation

225 Engineers Road
Smithtown, New York 11788
(516) 273-6900

Officers: Richard T. Daly, chief executive officer and president; Robert A. Kaplan, exec. v.p. and treasurer; Sydney Meistrich, v.p.-mfg. and secretary; William I. Kern, v.p.-marketing; Vincent L. Mooney, controller; Ray H. Tanner, v.p.-engineering.

Directors: Richard T. Daly, Robert A. Kaplan, Sydney Meistrich, Robert W. Daly, Stuart B. Newman, Harry Todres, Zenas Hutcheson.

Areas of Work: Engaged in a single line of business: manufacturing electro-optic devices and systems, principally involving the use of a laser component, and end-products produced by such devices. Its products consist of a catalogue line of lasers, laser components and laser accessories; a Mask Inspection and Repair Tool, which is used to reduce waste in the manufacture of semiconductors; a defect repair system for repair of photomasks used in semiconductor manufacture; scientific lasers and medical lasers.

Subsidiary:

Quantronix, GmbH
Gross-Gerauer Weg 55
D-6100 Darmstadt, West Germany
Quantronix International (DISC)

Transfer Agent(s):

American Stock Transfer Company
99 Wall Street
New York, New York 10005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: QUAN (NASDAQ)

Number of Employees:

1984	185	1981	130
1983	120	1980	116
1982	N.A.		

N.A.-Not Available.

Plant Footage:

1984	44,000 sq. ft.	1981	44,000
1983	44,000	1980	26,500
1982	44,000		

Sales and Earnings

	Net Sales †	Net Income ‡
1983	$ 7,739,013	$ (653,035)
1982	6,030,773	(451,463)
1981	7,885,540	313,072
1980	6,270,923	330,699
1979	3,609,825	248,788

	No. of Com. Shares #	Earn. per Share ‡#
1983	851,861	$ —
1982	851,500	—
1981	838,536	0.37
1980	807,040	0.41
1979	779,216	0.32

(Loss)
† Includes services.
‡ Including extraordinary gains of $31,000 ($0.04 per share) in 1982 and $90,000 ($0.12 per share) in 1979.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share +
1983	$ 1,260,393	$ 1.48
1982	1,912,178	2.25
1981	2,320,306	2.77
1980	1,698,669	2.10
1979	1,327,649	1.70

+ Based on the weighted average number of shares outstanding.

Income Account *

Year ended March 31	1983	1982
Net sales & services	$ 7,739,013	$ 6,030,773
Cost of sales & services	4,873,754	3,561,255
Expenses	2,722,119	2,828,904
Interest expense	462,875	427,077
Abandonment of public offering	319,300	—
Loss bef. taxes	$ (639,035)	$ (786,463)
Income taxes (credit)	14,000	(304,000)
Net Loss	$ (653,035)	$ (482,463)
Extraordinary item	—	31,000
Net Loss & extraord. item	$ (653,035)	$ (451,463)

[illegible]ded in Costs and Expenses, Depreciation and Amortization: $346,967 in 1983 and $286,276 in 1982.

Assets

As of March 31	1983	1982
Cash	$ 614,372	$ 424,641
Accts. receiv., net	1,739,636	1,149,079
*Inventories	2,259,009	2,585,420
Refund. inc. taxes	—	272,000
Prepaid expenses	34,394	38,514
Current Assets	$ 4,647,411	$ 4,469,654
#Fixed assets	1,584,091	2,014,674
Other assets	368,866	413,101
Total Assets	$ 6,600,368	$ 6,897,429

Liabilities

Long-term debt, curr.	$ 33,538	$ 32,811
Accts. payable	759,883	433,898
Accruals & other liabilities	523,980	474,697
Inc. taxes payable	14,391	—
Curr. Liabilities	$ 1,331,792	$ 941,406
Long-term debt	4,008,183	4,043,845
+ Common stock	8,521	8,519
Add. paid-in capital	2,416,689	2,415,441
Deficit	(1,144,292)	(491,257)
Note receiv.-sale of stock	(20,525)	(20,525)
Total Liabilities & Shareholders' Equity	$ 6,600,368	$ 6,897,429

* At lower of average cost of market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

Working Capital	$3,315,619	$3,528,248
Current Ratio	3.49	4.75
Shareholders' Equity	$1,260,393	$1,912,178

Quotron Systems, Inc.

5454 Beethoven Street
Los Angeles, California 90066
(213) 827-4600

Officers: M.E. Mohr, chairman of the board, president & chief executive officer; G.H. Levine, v.p.-marketing & corp. secretary; A.F. Wood, v.p.-int'l operations; Richard L. Little, v.p.-finance; & treasurer; R.B. Cooper, v.p.-customer engineering; B.B. Jackson, exec. v.p.-engineering & manufacturing; George F. Kabouchy, v.p.-systems, operations & programs; Peir L. Rossi, v.p.-engineering; Nikki Parker, v.p.-industrial relations; & asst. secretary; Donald L. Stevens, v.p.-planning.

Directors: Richard W. Millar, Leland H. Amaya, Milton E. Mohr, Wallace A. Depp, Thomas O. Paine, Bayard Walker, George R. Tuerk, Alan N. Weeden, Richard F. Hespos, Ivan Sutherland.

Areas of Work: Manufacturer of general purpose computers and supplier of financial information services primarily for the financial market.

Joint Ventures:

Insurnet, Inc.
Supplies automation/communication services to independent insurance agents.

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
One New York Plaza
New York, New York 10081

Stock Exchange(s): Over-the-Counter, London

Ticker Symbol: QUOT (NASDAQ)

Number of Employees:

1984	1,400	1982	1,000
1983	1,400	1981	1,000

Plant Footage:

1984	439,000 sq. ft.	1981	200,000
1983	305,000	1980	150,000
1982	305,000		

Sales and Earnings

	Revenues	Net Income
1984	$ 189,799,000	$ 26,823,000
1983	153,810,000	23,981,000
1982	120,918,000	17,035,000
1981	88,120,000	12,485,000
1980	63,809,000	8,909,000

	No. of Com. Shares ‡	Earn. per Share †
1984	34,344,041	$ 0.78
1983	34,018,282	0.69
1982	33,816,342	0.52
1981	31,560,812	0.39
1980	31,029,832	0.31

† Based on the weighted average number of common shares and common stock equivalents outstanding adjusted to reflect stock splits.
‡ Adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	2-for-1
1981	—	—	2-for-1
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 167,603,000	$ 4.88
1983	139,210,000	4.09
1982	113,245,000	3.35
1981	66,085,000	2.09
1980	52,217,000	1.68

+ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Financial info. serv.	$ 171,921,000	$ 140,867,000
Net sales	17,878,000	12,943,000
Total income	$ 189,799,000	$ 153,810,000
Cost of service	90,822,000	75,440,000
Cost of sales	11,745,000	9,329,000
Expenses	36,828,000	28,251,000
Interest expense (income)	1,640,000	(1,391,000)
Income before taxes	$ 48,764,000	$ 42,181,000
Income taxes	21,941,000	18,200,000
Net Income	$ 26,823,000	$ 23,981,000

* Included in Costs and Expenses, Depreciation and Amortization: $32,211,000 in 1984 and $24,372,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 817,000	$ 6,420,000
Accts. receiv., net	19,905,000	10,096,000
*Inventories	53,179,000	25,407,000
#Financial infor. serv. equip.	113,055,000	93,546,000
#Fixed assets	49,901,000	34,550,000
Other assets	4,535,000	1,340,000
Total Assets	$ 241,392,000	$ 171,359,000

Liabilities

Accts. payable	$ 8,235,000	$ 4,971,000
Long-term debt, curr.	39,696,000	718,000
Accruals	13,791,000	18,742,000
Deferred taxes	12,067,000	7,718,000
+ Common stock	3,434,000	3,402,000
Add. paid-in capital	64,495,000	62,476,000
Retained earnings	99,674,000	73,332,000
Total Liabilities & Shareholders' Equity	$ 241,392,000	$ 171,359,000

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Revenues	25.69	27.42
%Net Income to Revenues	14.13	15.59
%Net Income to Equity	16.00	17.23
Shareholders' Equity	$167,603,000	$139,210,000

Radiation Systems, Inc.

1501 Moran Road
Sterling, Virginia 22170
(703) 450-5680

Officers: Richard E. Thomas, chairman of the board, president & treasurer; Junius H. Arnold, Jr., sr. v.p.; Harold Aryai Siegel, v.p. & general counsel; Robert L. Pevenstein, v.p.-finance; Clifford Allison, Jr., Robert H. Denton, Yari V. Vondrich, v.p.'s; Charles J. Beuley, v.p. & president of Universal Antennas; Marvin D. Shoemake, v.p. & president of SatCom Technologies; Anita M. Stutzman, secretary.

Directors: Richard E. Thomas, Lee M. Paschall, Irvin G. Ray, John D. Sanders, Peter Schenk.

Areas of Work: Manufactures high-technology antenna products for the military, air traffic control, satellite and point-to-point communications markets.

Subsidiaries:

Universal Antennas, Inc.
909 E. Collins Boulevard
Richardson, Texas 75801
(214) 690-8865

SatCom Technologies, Inc.
2913 Pacific Drive
Norcross, Georgia 30071
(404) 448-2116

Mark Antenna Products, Inc.
2180 S. Wolf Road
Des Plains, Illinois 60018
(312) 298-9420

Mexia Fabricators, Inc.
1200 North Avenue B
Wortham, Texas 76693

Transfer Agent(s):

The Riggs National Bank
1120 Vermont Avenue
Washington, D.C. 20005

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RADS (NASDAQ)

Number of Employees:

1984	290	1981	151
1983	228	1980	147
1982	177		

Plant Footage:

1984	290,000 sq. ft.	1981	108,000
1983	165,000	1980	93,000
1982	108,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 30,045,000	$ 4,496,000
1983	22,213,000	3,543,000
1982	15,320,000	2,429,000
1981	9,863,000	1,180,000
1980	7,654,000	836,000

	No. of Com. Shares +	Earn. per Share + †
1984	4,502,000	$ 1.00
1983	4,496,000	0.80
1982	4,293,000	0.56
1981	3,435,000	0.37
1980	2,484,000	0.31

+ Adjusted to reflect stock splits.
† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.25⅞	—	3-for-2
1982	0.9½	—	3-for-2
1981	0.10⅞	—	3-for-2
1980	0.3⅛	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 27,045,000	$ 6.01
1983	22,445,000	4.99
1982	17,303,000	4.03
1981	8,944,000	2.60
1980	3,842,000	1.55

+ Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 30,045,000	$ 22,213,000
Other income	1,076,000	1,301,000
Total Income	$ 31,121,000	$ 23,514,000
Cost of sales & exp.	23,620,000	17,603,000
Interest expense	218,000	174,000
Income before taxes	$ 7,283,000	$ 5,737,000
Income taxes	2,787,000	2,194,000
Net Income	$ 4,496,000	$ 3,543,000

* Included in Costs and Expenses. Depreciation: $690,023 in 1984 and $526,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 314,000	$ 455,000
Short-term invest.	10,519,000	9,371,000
Accrued interest recv.	159,000	98,000
Accts. receiv., net	5,309,000	5,900,000
Unbilled costs & accrued profits	10,246,000	5,564,000
Refundable taxes	1,475,000	1,084,000
*Inventories	3,268,000	2,429,000
Deferred compens. exp., current	403,000	183,000
Other curr. assets	209,000	304,000
Current Assets	$ 31,902,000	$ 25,388,000
Other Assets	1,396,000	221,000
#Fixed assets	7,670,000	6,564,000
Total Assets	$ 40,968,000	$ 32,173,000

Liabilities

	1984	1983
Mortg. payable	$ 248,000	$ 178,000
Accts. payable	2,233,000	1,887,000
Cust. advances	625,000	1,177,000
Accruals	874,000	728,000
Accrued payroll	409,000	322,000
Deferred compens. pay.	274,000	100,000
Deferred inc. taxes	4,784,000	2,648,000
Other liabilities	285,000	63,000
Curr. Liabilities	$ 9,732,000	$ 7,103,000
Mortg. payable	2,442,000	2,090,000
Deferred compens. pay.	1,097,000	100,000
Deferred inc. taxes	652,000	435,000
+ Common stock	4,502,000	2,997,000
Add. paid-in capital	8,748,000	10,149,000
Retained earnings	13,795,000	9,299,000
Total Liabilities & Shareholders' Equity	$ 40,968,000	$ 32,173,000

*At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	24.24	25.83
%Net Income to Sales	14.96	15.95
%Net Income to Equity	16.62	15.79
Sales to Inventories	9.19	9.14
Working Capital	$22,170,000	$18,285,000
Current Ratio	3.28	3.57
Shareholders' Equity	$27,045,000	$22,445,000

Radio Frequency Company, Inc.

150 Dover Road
Millis, Massachusetts 02054
(617) 762-4900

Officers: Melvyn H. Harris, chairman of the board; Thomas W. James, president & chief exec. officer; Wallace J. Ross, v.p.; Norma A. Greene, controller & treasurer; Ruth Y. Manwaring, clerk.

Directors: Norman Barlow, Ruth Y. Manwaring, A. Lee MacPhail, Robert L. Warren, Jr., Melvyn H. Harris, Rosamond B. Manwaring, Thomas W. James.

Areas of Work: Designs, manufactures and sells high technology, high precision heat processing systems for the industrial market.

Subsidiaries:

Radio Frequency Realty Corporation
Medfield, Massachusetts 02502

Transfer Agent(s):

Boston Safe Deposit & Trust
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Revenues	Net Income
1985	$ 2,765,687	$ 252,335
1984	1,985,463	176,744
1983	1,967,484	175,765
1982	1,810,113	142,016
1981	2,036,234	302,459

	No. of Com. Shares +	Earn. per Share #
1985	445,405	$ 0.56
1984	433,714	0.39
1983	426,682	0.41
1982	426,682	0.33
1981	431,032	0.69

+ Adjusted to reflect stock split.
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.35	—	3-for-2
1984	0.21	—	—
1983	0.20	—	—
1982	0.19	—	—
1981	0.17	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	2,209,446	4.96
1984	2,061,207	4.75
1983	1,976,989	4.63
1982	1,886,561	4.42
1981	1,871,218	4.34

‡ Adjusted to reflect stock split.

Income Account *

Year ended March 31	1985	1984
Revenues	$ 2,765,687	$ 1,985,463
Cost of sales	1,847,716	1,250,441
Expenses	594,114	555,058
Other income	(61,778)	(68,840)
Income before taxes	$ 385,635	$ 248,804
Income taxes	133,300	72,060
Net Income	$ 252,335	$ 176,744

*Included in Costs and Expenses. Depreciation: $114,518 in 1985 and $84,327 in 1984.

Assets

As of March 31	1985	1984
Cash	$ 454,609	$ 470,384
Accts. receiv., net	356,085	147,780
*Inventories	925,757	917,686
Mortg. note receiv.	133,537	1,675
Income tax refunds	—	57,300
Other	2,295	2,001
Current Assets	$ 1,872,283	$ 1,596,826
#Fixed assets	960,868	892,768
Mortg. note receiv.	—	133,537
Total Assets	$ 2,833,151	$ 2,623,131

Liabilities

Accts. payable	$ 89,706	$ 162,535
Accrued inc. taxes	65,265	—
Customer progress payments	234,282	200,243
Accruals	174,877	153,971
Curr. Liabilities	$ 564,130	$ 516,749
Deferred inc. taxes	59,575	45,175
+ Common stock	514,484	343,000
Add. paid-in capital	346,356	312,621
Retained earnings	1,755,712	1,778,957
Treasury stock	(337,106)	(303,371)
Note receivable	(70,000)	(70,000)
Total Liabilities & Shareholders' Equity	$ 2,833,151	$ 2,623,131

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.94	12.53
%Net Income to Sales	9.12	8.90
%Net Income to Equity	11.42	8.57
Sales to Inventories	2.99	2.16
Working Capital	$1,308,153	$1,080,077
Current Ratio	3.32	3.09
Shareholders' Equity	$2,209,446	$2,061,207

Ragen Corporation

(formerly Ragen Precision Industries, Inc.)

9 Porete Avenue
North Arlington, New Jersey 07032
(201) 997-1000

Officers: I.L. Lopata, chairman of the board; Eugene L. Lopata, president; Alexander C. Tomkins, Jr., secretary & treasurer; Arnold Herman, v.p.-planning.

Directors: I.L. Lopata, chairman; Eugene E. Lopata, Gerald Conway, A.C. Tomkins, Jr., Bohdan J. Kekish, Paul A. Fund, Thatcher L. Townsend.

Areas of Work: Manufactures electronic components, printed circuit boards, mechanical assemblies and subassemblies, and precision mechanical components for the business equipment, electronic, nuclear and aircraft industries; designs and manufactures proprietary products, systems and services, such as graphic information management systems, electronic mail, word processing facsimile, non-impact printers, electronic storage and retrieval systems; produces numerically controlled assembly systems, for the commercial and industrial uses.

Divisions:

Components Division
North Arlington, New Jersey
(201) 997-1000

Nuclear Division
North Arlington, New Jersey
(201) 997-1000

Systems Division
North Arlington, New Jersey
(201) 997-1000

Subsidiaries:

Microtronics Corp.
West Caldwell, New Jersey
(201) 575-5000

Ragen Data Systems, Inc.
Central Islip, New York
(516) 293-1333

Ragen International Corp.
North Arlington, New Jersey

Ragen Leasing Corporation
North Arlington, New Jersey

Ragen Information Systems, Inc.
North Arlington, New Jersey
Arlington, Virginia

Transfer Agent(s):

Marine Midland Bank
250 Park Avenue
New York, New York 10017

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RAGN (NASDAQ)

Number of Employees:

1984	583	1981	550
1983	486	1980	674
1982	490		

Plant Footage:

1984	N.A.	1982	190,000 sq. ft.
1983	N.A.	1981	190,000

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 30,075,284	$ (2,018,047)
1983	27,114,372	282,018
1982	31,201,280	317,744
1981	31,242,753	(702,028)
1980	29,749,830	860,948

	No. of Com. Shares ‡	Earn. per Share ‡
1984	4,702,763	$ —
1983	4,589,882	0.06
1982	4,557,292	0.07
1981	4,445,544	—
1980	3,986,920	0.22

(Loss)
‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Precision mech. components	11,189	37%	9,366	35%
Prop. systems & equipment	5,325	18	4,731	17
Printed current boards & assem.	6,915	23	5,989	22
Aircraft instr. & components	6,646	22	7,028	26
Total	30,075	100%	27,114	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	6%	—
1980	—	6%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,946,181	$ 2.33
1983	11,876,626	2.59
1982	10,748,332	2.36
1981	10,331,674	2.32
1980	8,859,243	2.22

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 30,075,284	$ 27,114,372
Cost of sales	24,605,039	19,521,576
Expenses	6,986,285	6,651,673
Oper. profit (loss)	$ (1,516,040)	$ 941,123
Other expense (income)	360,693	(633,885)
Total	$ (1,876,733)	$ 1,575,008
Interest expense	1,052,543	1,266,990
Income (loss) before taxes	$ (2,929,276)	$ 308,018
Income taxes (credit)	(911,229)	26,000
Net Income (Loss)	$ (2,018,047)	$ 282,018

* Included in Costs and Expenses, Depreciation and Amortization: $2,057,178 in 1984 and $1,692,489 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 1,153,831	$ 975,867
Marketable securities	—	2,400,000
Accts. receiv., net	5,755,053	5,529,633
*Inventories	10,527,482	8,934,060
Prepaid expenses	185,142	229,114
Current Assets	$ 17,621,508	$ 18,068,674
Trust fund	158,803	976,246
Long-term receiv.	86,200	155,802
#Fixed assets	8,821,939	8,941,519
Other assets	1,025,368	1,307,593
Total Assets	$ 27,713,818	$ 29,449,834

Liabilities

Notes payable	$ 1,034,362	$ 1,804,363
Accts. payable	3,563,104	2,370,824
Accrued commissions	249,006	406,384
Accrued payroll	302,002	309,196
Accrued interest	170,266	330,500
Federal income taxes	1,445,341	1,801,031
Deferred revenue	—	53,222
Other liabilities	294,977	324,094
Curr. Liabilities	$ 7,059,058	$ 7,399,614
Long-term debt	9,708,579	9,288,771
Deferred inc. taxes	—	884,823
+ Common stock	599,492	581,360
Add. paid-in capital	10,804,071	9,734,601
Retained earnings (deficit)	(457,382)	1,560,665
Total Liabilities & Shareholders' Equity	$ 27,713,818	$ 29,449,834

*At lower of cost or market.
Less accumulated depreciation and amortization.
+ $0.125 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.14
%Net Income to Sales	—	1.04
%Net Income to Equity	—	2.37
Sales to Inventories	2.86	3.03
Working Capital	$10,562,450	$10,669,060
Current Ratio	2.50	2.44
Shareholders' Equity	$10,946,181	$11,876,626

Ramtek Corporation

2211 Lawson Lane
Santa Clara, California 95050
(408) 988-2211

Ramtek Corporation

Officers: Charles E. McEwan, chairman of the board & president; Thomas J. Adams, exec. v.p. & treasurer; Joseph G. Morris, v.p. & gen. mgr. - Napa Division; Wilbur F. Sattler, v.p.-operations; Steve V. Cope, v.p.-imaging systems development; Peter W. Cassady, v.p.-marketing; G. William Theriault, v.p. & controller; James A Swanson, v.p., gen. counsel & secretary; Sephen R. Johnson, v.p.-sales; Patricia K. Rooney, v.p.-human resources; Perry L. Sarensen, v.p.-field engineering; Kieth E. Sorenson, v.p.-graphics.

Directors: Charles E. McEwan, chairman; Rolf Eliassen, Thomas J. Adams, Willard C. Mills, John R. Andrews, Jr.

Areas of Work: The company manufactures and markets computer graphic display systems for use in process control, computer aided design/manufacturing, and business graphics. Also, the corporation manufactures color hardcopy devices such as printers and cameras which reproduce the graphic images from the computer terminal on plain paper, film, overhead transparencies, slides and prints. Other products include monitors which provide the visual output generated by the display system and customized intelligent terminals.

Divisions:

Napa Division
195 Soscol Avenue
Napa, California 94558

Configures custom graphics systems for specialized small volume application.

Transfer Agent(s):

Bank of America NT & SA
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RMTK (NASDAQ)

Sales and Earnings

	Net Sales †	Net Income
1984	$ 34,581,000	$ (15,354,000)
1983	41,143,000	842,000
1982	46,023,000	2,669,000
1981	35,239,000	1,442,000
1980	25,149,000	1,156,000

	No. of Com. Shares #	Earn. per Share #
1984	3,402,000	$ —
1983	2,937,000	0.29
1982	2,669,000	1.00
1981	2,665,000	0.54
1980	2,024,000	0.57

(Loss)

† Of continuing operations only.

# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 19,177,000	$ 5.64
1983	34,497,000	11.75
1982	19,743,000	7.40
1981	16,800,810	6.30
1980	15,023,133	7.42

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 34,581,000	$ 41,143,000
Cost of sales	23,922,000	19,265,000
Expenses	23,478,000	20,049,000
Interest expense	1,152,000	1,244,000
Loss rel. to invest.	4,000,000	—
Income (loss) before taxes	$ (17,971,000)	$ 585,000
Tax credit (loss)	(2,617,000)	(257,000)
Net Income (Loss)	$ (15,354,000)	$ 842,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,147,000 in 1984 and $1,366,000 in 1983.

Assets

As of June 30	1984	1983
Cash & short-term securities	$ 252,000	$ 4,618,000
Restricted cash equivalents	3,500,000	—
Income tax receivable	2,398,000	735,000
Accts. receiv., net	9,345,000	10,273,000
*Inventories	15,607,000	14,812,000
Prepaid inc. taxes	—	1,065,000
Prepaid expenses	245,000	298,000
Current assets	$ 31,347,000	$ 31,801,000
#Fixed assets	21,770,000	10,583,000
Invest. in affil.	302,000	350,000
License agree. & rel. costs	262,000	737,000
Other assets	—	328,000
Total Assets	$ 53,681,000	$ 43,799,000

Liabilities

	1984	1983
Notes payable	$ 8,174,000	$ 927,000
Accts. payable	6,018,000	1,697,000
Accruals:		
Compensation	1,578,000	1,118,000
Other	450,000	754,000
Cap lease oblig., curr.	1,126,000	945,000
Long-term debt, curr.	$ 1,727,000	$ —
Curr. Liabilities	19,073,000	5,441,000
Cap. lease oblig.	3,196,000	2,931,000
Long-term debt	8,235,000	—
Reserve rel. to affil.	4,000,000	—
Deferred inc. taxes	—	930,000
+ Common stock	26,209,000	26,175,000
Retained earnings (deficit)	(7,032,000)	8,322,000
Total Liabilities & Shareholders' Equity	$ 53,681,000	$ 43,799,000

* At lower of cost or market.

# Less accumulated depreciation and amortization.

+ No par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	—	1.42
% Net Income to Sales	—	2.05
% Net Income to Equity	—	2.44
Sales to Inventories	2.22	2.78
Working Capital	$12,274,000	$26,360,000
Current Ratio	1.64	5.84
Shareholders' Equity	$19,177,000	$34,497,000

Ranco Incorporated

555 Metro Place North
P.O. Box 248
Dublin, Ohio 43017
(614) 764-3733

Officers: R.J. Grosh, chairman of the board & chief exec. officer; W.A. Chapman, president & chief operating officer; Robert R. Womack, exec. v.p.-business development; R.B. Robert, executive v.p. & chief financial and administrative officer; H.A. Baker, executive v.p.-int'l operations; M.H. Reissig, treasurer & asst. secretary; E.A. Schrag, Jr., secretary; A.V. Ober, asst. treasurer.

Directors: R.J. Grosh*, W.A. Chapman, D. Ginsburg, Jorg Mittelsten Scheid, B. Balders, R.J. Kegerreis, W.E. Mahaffay*, R.E. Raney*, R.B. Robert, Richard S. Hickok.

* Member of the Executive Committee.

Areas of Work: Designs, manufactures and markets environmental comfort, convenience, and safety control devices and systems automatically regulating temperature, pressure, time sequencing, current flow and humidity.

Divisions:

Controls Division
Plain City, Ohio

Automotive Division
Delaware, Ohio

Appliance Division
Plymouth, England

Electronics Division
Irving, Texas

Teccor Semiconductor Division
Irving, Texas

Subsidiaries:

Ranco Controls, Canada, Limited
Ranco Controls Europe
Ranco Controls Limited
Bodmin Precision Components Limited
Ranco Electronics Europe Limited
Deutsche Ranco GmbH
Ranco Italian Controls Incorporated
Apparecchi di Controllo Ranco S.R.L.
Ranco de Mexico, S.A. de C.V.
Electronic Control Corporation de Mexico S.A.
Ranco France S.A.
Ranco Export Corporation
Controles Automaticos S.A.
Ranco Japan Limited (45% owned)

Transfer Agent(s):

BancOhio National Bank
Columbus, Ohio

The Chase Manhattan Bank, N.A.
New York, New York

Stock Exchange(s): New York

Ticker Symbol: RNI

Number of Employees:

1984	4,900	1981	5,600
1983	4,900	1980	5,300
1982	4,300		

Sales and Earnings

	Net Sales	Net Income
1984	$ 177,460,000	$ 7,870,000
1983	153,988,000	3,818,000
1982	152,645,000	4,776,000
1981	179,446,000	5,177,000
1980	179,418,000	2,698,000

	No. of Com. Shares	Earn. per Share #
1984	3,586,676	$ 2.20
1983	3,544,322	1.08
1982	3,501,035	1.36
1981	3,501,035	1.48
1980	3,497,451	0.77

# Based on the average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Automotive	17.3%	17.1%
Residential & bldg. comfort control	35.4	36.7
Commercial refrigeration	22.9	21.1
Household refrigeration	24.4	25.1
Total	100.0%	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.84	—	—
1983	0.84	—	—
1982	0.84	—	—
1981	0.84	—	—
1980	0.84	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 54,165,000	$ 15.10
1983	52,221,000	14.73
1982	50,783,000	14.51
1981	51,682,000	14.76
1980	55,240,000	15.79

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 177,460	$ 153,988
Cost of sales	130,367	114,353
Expenses	32,276	28,656
Interest expense	3,457	4,018
Other expense (income)	(1,064)	1,077
Income before taxes	$ 12,424	$ 5,884
Income taxes	5,247	2,578
Equity in earnings of affil.	(693)	(512)
Net Income	$ 7,870	$ 3,818

* Included in Costs and Expenses, Depreciation and Amortization: $6,838,000 in 1984 and $6,119,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash & short-term invest.	$ 2,194,000	$ 1,548,000
Accts. receiv., net	29,292,000	31,260,000
Refund. inc. tax	690,000	690,000
*Inventories	27,536,000	27,471,000
Prepaid expenses	5,060,000	2,643,000
Current Assets	$ 64,772,000	$ 63,612,000
Investments	12,101,000	12,877,000
#Fixed assets	37,311,000	36,611,000
Other assets	2,529,000	3,060,000
Total Assets	$ 116,713,000	$ 116,170,000

Liabilities

Long-term debt, curr.	$ 3,850,000	$ 2,994,000
Bank loans	523,000	328,000
Accts. payable	12,955,000	10,179,000
Accruals	6,414,000	5,777,000
Accrued payroll	8,818,000	9,454,000
Income taxes	404,000	1,551,000
Curr. Liabilities	$ 32,964,000	$ 30,283,000
Long-term debt	21,193,000	28,028,000
Deferred inc. taxes	6,676,000	3,989,000
Other liab.	1,715,000	1,649,000
+ Common stock	9,494,000	9,494,000
Add. paid-in capital	481,000	687,000
Retained earnings	55,534,000	50,671,000
For. curr. trans. adjustment	(7,743,000)	(4,341,000)
Treasury stock	(3,601,000)	(4,290,000)
Total Liabilities & Shareholders' Equity	$ 116,713,000	$ 116,170,000

* At lower of cost (LIFO and FIFO) or market.
# Less accumulated depreciation and amortization.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.00	3.82
%Net Income to Sales	4.43	2.48
%Net Income to Equity	14.53	7.31
Sales to Inventories	6.44	5.61
Working Capital	$31,808,000	$33,329,000
Current Ratio	1.96	2.10
Shareholders' Equity	$54,165,000	$52,221,000

Raven Industries, Inc.

205 E. 6th Street
Sioux Falls, South Dakota 57117
(605) 336-2750

Mailing address:

P.O Box 1007
Sioux Falls, South Dakota 57117

Officers: David A. Christensen, president & chief executive officer; Gary L. Conradi, v.p.-corp. services; James A. Winker, v.p.-Applied Technology Div.; David L. Stavig, v.p.-Sportswear Div.; Ronald M. Moquist, v.p.-Electronics Systems & Plastics Divisions; Arnold J. Thue, finance and treasurer; Joseph J. Kaliszewski, secretary.

Directors: John H. Burg, David A. Christensen, Albert C. Gage, John E. Griffin, Conrad J. Hoigaard, W. Ray Laird, Jr., Robert G. May, John C. Skoglund.

Divisions:

Sportswear Division

Products include the "Swing West" line of ski clothing, "Raven" line of snowmobile suits and general outerwear, "Comfy" down insulated garments, "AFRC" cross-country ski clothing, as well as private label garments.

Plastics Division

Products include fiberglass and polyethylene tanks for agricultural, industrial and water conditioning use and custom fabricated fiberglass parts and designs for water and sewage treatment markets, and the construction and machinery markets.

Electronic Systems Division

Products include batch weighing, control and inventory systems; turbine helicopter auto-restart units, audio amplifiers, industrial annunciators, turbine engine speed controls, turbine engine test sets, FAA radio beacon monitor alarms, telemetry systems, U.S. Government electronic assemblies, electronic agricultural and industrial products and printed circuit assembly services.

Applied Technology Division

Products and services include plastics tarpaulins, hot air sport balloons, high altitude research balloons, heavy load lifting balloons, decelerators (parachutes), contract engineering and research, hot air blimps, and AdverBlimps.

Acquisition(s):

Beta Corporation
Saint Louis, Missouri
Manufactures electronic controls.

Transfer Agent(s):

Northwest Bank Minneapolis, N.A.
Minneapolis, Minnesota

Norwest Trust Company, New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: RAV

Number of Employees:

1985	765	1982	815
1984	N.A.	1981	808
1983	650		

Plant Footage:

1985	N.A.	1983	556,000
1984	561,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1985	$ 44,581,925	$ 2,608,899
1984	38,983,678	1,956,456
1983	31,211,096	1,089,856
1982	33,466,507	1,173,894
1981	32,970,226	585,348

	No. of Com. Shares †	Earn. per Share ‡
1985	1,548,039	$ 1.66
1984	1,529,192	1.25
1983	1,508,522	0.73
1982	1,494,093	0.79
1981	1,479,852	0.39

† Adjusted to reflect stock dividends.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Revenues By Line of Business

	1985	1984
Plastics division	$ 9,398,000	$ 7,262,000
Sportswear division	14,619,000	14,815,000
Applied technology division	11,409,000	10,230,000
Electronic systems division	9,156,000	6,675,000
Other	—	2,000
Total	$ 44,582,000	$ 38,984,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.375	—	—
1984	0.32	—	—
1983	0.29	5% & 5%	—
1982	0.30	5%	—
1981	0.30	5%	—

+ Adjusted to reflect stock dividends.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 14,666,736	$ 9.47
1984	12,591,367	8.23
1983	11,047,825	7.32
1982	10,323,614	6.91
1981	9,550,343	6.46

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 44,581,925	$ 38,983,678
Cost of sales	33,179,985	29,300,137
Expenses	6,833,558	6,292,776
Interest expense	418,134	359,440
Other income	(348,651)	(340,131)
Income before taxes	$ 4,498,899	$ 3,371,456
Income taxes	1,890,000	1,415,000
Net Income	$ 2,608,899	$ 1,956,456

* Included in Costs and Expenses, Depreciation: $936,106 in 1985 and $796,753 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 1,213,281	$ 2,307,119
Marketable securities	2,156,693	2,503,993
Accts. receiv., net	6,785,189	6,001,227
*Inventories	8,254,998	6,899,328
Prepaid expenses	802,926	381,118
Refundable income taxes	—	107,890
Current Assets	$ 19,213,087	$ 18,200,675
#Fixed assets	4,564,254	3,615,380
Other assets	945,385	269,268
Total Assets	$ 24,722,726	$ 22,085,323

Liabilities

Long-term debt, curr.	$ 577,686	$ 502,514
Accts. payable	2,837,521	2,847,839
Accruals	3,346,800	2,521,016
Customer advances	199,506	163,555
Curr. Liabilities	$ 6,961,513	$ 6,034,924
Long-term debt	2,954,477	3,294,032
Deferred income taxes	140,000	165,000
+ Common stock	1,548,039	1,529,192

Add. paid-in capital	2,526,447	2,502,369
Retained earnings	10,592,250	8,559,806
Total Liabilities & Shareholders' Equity	$ 24,722,726	$ 22,085,323

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.09	8.65
%Net Income to Sales	5.85	5.02
%Net Income to Equity	17.79	15.54
Sales to Inventories	5.40	5.65
Working Capital	$12,251,574	$12,165,751
Current Ratio	2.76	3.02
Shareholders' Equity	$14,666,736	$12,591,367

Raychem Corporation

300 Constitution Drive
Menlo Park, California 94025
(415) 361-3333

Officers: Paul M. Cook, chairman of the board & chief executive officer; Robert M. Halperin, president & chief operating officer; Robert Saldich, sr. v.p.; James B. Spradling, Harry O. Postlewalt, William A. Berry, Frederick M. Grafton, Gerald R. Delaney, Frederick M. Grafton, Joachim H. Ohme, Albert F. Haussener, Roderick A. Young, Paul J. Roberts, v.p.'s; Isaac Stein, v.p., secretary & gen. counsel; Barret B. Roach, v.p. & chief financial officer; Christopher L. Kaufman, secretary.

Directors: Paul M. Cook, chairman; Robert B. Engel, Jerome B. Weisner, Detlev K. Rohwedder, Robert M. Halperin, J. Kenneth Jamieson, Richard W. Muchmore, Jerome B. Weisner.

Areas of Work: Engaged in the development, manufacture and sale of high performance plastic and elastomeric insulation products and systems including overcurrent protection devices. The special properties of its products generally are achieved through radiation chemistry. In addition, the company manufactures and sells fiberglass reinforced electrical insulating sleeving products and electrical heating elements.

Subsidiaries:

Bentley-Harris Manufacturing Company
241 Welsh Pool Road
Lionville, Pennsylvania 19353
(215) 363-2600

Heater Technology
2555 Bay Road
Redwood City, California 94063
(415) 329-3333

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: RYC

Number of Employees:

1984	8,867	1981	8,065
1983	8,618	1980	7,850
1982	8,135		

Plant Footage:

1983	4,800,000 sq. ft.	1980	3,272,000
1982	3,452,000	1979	3,272,000
1981	3,452,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 629,862,000	$ 37,166,000
1983	582,702,000	30,511,000
1982	534,949,000	37,248,000
1981	525,398,000	36,366,000
1980	462,377,000	33,857,000

	No. of Com. Shares#	Earn. per Share#
1984	9,668,533	$ 3.84
1983	9,443,644	3.23
1982	9,146,945	4.07
1981	8,884,522	4.09
1980	8,655,253	3.91

Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.44	—	—
1983	0.44	—	—
1982	0.44	—	—
1981	0.42	—	—
1980	0.325	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 322,528,000	$ 33.36
1983	286,951,000	30.39
1982	258,315,000	28.24
1981	227,099,000	25.56
1980	214,376,000	24.77

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 629,862,000	$ 582,702,000
Cost of sales	330,285,000	293,527,000
Expenses	247,224,000	234,665,000
Interest expense	5,977,000	5,299,000
Income before taxes	$ 46,376,000	$ 49,211,000
Income taxes	9,210,000	18,700,000
Net Income	$ 37,166,000	$ 30,511,000

*Included in Costs and Expenses, Depreciation and Amortization: $29,742,000 in 1984 and $27,369,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 28,055,000	$ 17,343,000
Accts. receiv., net	129,540,000	130,949,000
*Inventories	121,341,000	114,843,000
Prepaid expenses	39,506,000	42,266,000
Current Assets	$ 318,442,000	$ 305,401,000
#Fixed assets	205,279,000	187,029,000
Other assets	19,507,000	6,748,000
Total Assets	$ 543,228,000	$ 499,178,000

Liabilities

Notes payable	$ 52,233,000	$ 51,785,000
Long-term debt, curr.	2,375,000	2,222,000
Accts. payable	33,830,000	33,799,000
Accruals	56,131,000	53,236,000
Income taxes	27,496,000	29,178,000
Curr. Liabilities	$ 172,065,000	$ 170,220,000
Long-term debt	23,035,000	17,452,000
Deferred inc. taxes	16,854,000	16,472,000
Other liab.	8,746,000	8,083,000
+ Common stock	123,511,000	109,786,000
Retained earnings	256,915,000	224,007,000
For. curr. trans.	(53,194,000)	(42,097,000)
Notes receiv. from sale of stock	(4,704,000)	(4,745,000)
Total Liabilities & Shareholders' Equity	$ 543,228,000	$ 499,178,000

* At lower of cost (approx. FIFO & average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	7.36	8.45
%Net Income to Sales	5.90	5.24
%Net Income to Equity	11.52	10.63
Sales to Inventories	5.19	5.07
Working Capital	$146,377,000	$135,181,000
Current Ratio	1.85	1.79
Shareholders' Equity	$322,528,000	$286,951,000

Raytheon Company

141 Spring Street
Lexington, Massachusetts 02173
(617) 862-6600

Officers: Thomas L. Phillips, chairman & chief executive officer; D. Brainerd Holmes, president; Albert H. Bryan, Jr., v.p.-government programs-Huntsville; Herbert Deitcher, v.p. & treasurer; Palmer Derby, v.p.-new business analysis; James F. Dinneen, v.p.-government relations; Richard R. Mau, v.p.-public & financial relations; Everette L. Harper, v.p.-corporate operations, Washington, D.C.; E. Leonard Kane, v.p.-industrial relations; John R. Pasquariello, v.p.-manufacturing; Phillip A. Phalon, sr. v.p.-corp. marketing; Charles H. Resnick, v.p., secretary & general counsel; James F. Dinneen, v.p.-govt. relations; Sheldon Rutstein, v.p. & controller; Robert L. Seaman, v.p.-planning; Joseph F. Shea, sr. v.p.-engineering; Aldo Massara, v.p.-international affairs; James M. Hill, Jr., director-procurement; Stephen W. Rowen, director, government contracts; John D. Clare, Mike W. Fossier, Francis W. Heintz, Eric M. Levi, Ralph A. Martin, Charles I. Mullaney, Dennis J. Picard, John P. Shanley, James S. Walsh, David R.A. Steadman, v.p.'s; Richard C. Anderson, president-Seismograph Service Corporation; Ronald W. Dunmire, president-Iowa Manufacturing Co.; Luther Davis, Jr., general manager-research division; Stanley L. Clark, president-Raytheon Marine Co.; Raymond J. Dowling, v.p. & president-Caloric Corp.; Alex A. Meyer, chairman-Amana Refrigeration, Inc.; Thomas D. Hall, president-Speed Queen Company; William C. Jones, president-Switchcraft, Inc.; Loren A. Korte, president-D.C. Heath & Co.; Gunnar E. Sarsten, president-United Engineers & Constructors, Inc.; Willard E. Marcley, v.p. & gen. mgr.-Submarine Signal Division; Henry J. Meyer, president-Amana Refrigeration, Inc.; Alden L. Norman, Jr., president-The Badger Company, Inc.; Rulon G. Shelley, sr. v.p. & gen. mgr.-equipment division; Richard C. Anderson, president & chief exec. officer-Seismograph Service Corp.; D. Brainerd Holmes, chairman, Beech Aircraft Corp.

Directors: Thomas L. Phillips, chairman; Frank E. Hedrick, Charles F. Adams, Harvey Brooks, James N. Land, Jr., Richard D. Hill, William J. Hogan, D. Brainerd Holmes, Colman M. Mockler, Jr., Albert L. Nickerson, Francis H. Burr, Joseph J. Sisco, Theodore L. Eliot, Jr.

Areas of Work: Engaged in the design, engineering, manufacture and servicing of advanced electronic devices, equipment, and systems for both commercial and government customers. Energy services include geophysical exploration and the design, engineering and construction of refineries, petrochemical facilities, and electrical generating plants. Manufactures and markets consumer appliances, and heating and cooling equipment. Also designs and manufactures aircraft used primarily for business flying.

Divisions, Subsidiaries & Affiliates:

D.C. Heath and Company
New York, New York
Lexington, Massachusetts
Indianapolis, Indiana

Produces and distributes textbooks and coordinated instructional materials, science learning apparatus and Caedmon spoken-word recordings.

Seismograph Service Corporation
Tulsa, Oklahoma

Geophysical exploration.

The Badger Company, Inc.
Cambridge, Massachusetts
Houston, Texas
New York, New York
Tampa and Lakeland, Florida

Design, engineering and construction of petroleum, coal, petrochemical, chemical and fertilizer processing plants.

Amana Refrigeration, Inc
Amana, Iowa
Fayetteville, Tennessee

Electric ranges, refrigerators, freezers, room and central air conditioners, heat pumps, microwave ovens.

Microwave and Power Tube Division
Northborough, Waltham, Burlington & Quincy, Mass
Stamford, Connecticut
Chicago, Illinois

Microwave tubes, solid state microwave devices, lasers, broadcast and X-ray tubes, power supplies, industrial microwave heating systems, transformers, receiving and industrial tubes, particle accelerators, electronic hardware, night vision devices, molded plastic products, image intensifiers, light amplifier tubes, infrared detectors, medical electronics.

Caloric Corporation
Topton, Pennsylvania

Gas and electric ranges, microwave ovens, dishwashers, and related kitchen products.

Equipment Division
Sudbury, Wayland, and Waltham, Massachusetts

Surface and shipboard radar and navigation systems; military communications; radar instrumentation; air traffic control systems, data display systems; missile guidance electronics; software systems, vehicle traffic control systems.

Semiconductor Division
Mountain View, California

Transistors, diodes, and microelectric circuits.

Raytheon Marine Company
Manchester, New Hampshire

Marine radars, depth sounders, radiotelephones, direction finders, and related navigation aids.

Sorensen Company
Manchester, New Hampshire

Power supplies, power regulating equipment, precision welders, ultrasonic grinders.

Research Division

Materials and components for electronics.

Missile Systems Division
Bedford, Andover and Lowell, Massachusetts
Bristol, Tennessee
Oxnard, California

Air defense and tactical airborne systems, related radar, command and control systems, avionics.

Electromagnetic Systems Division
Santa Barbara, California; Wayne, New Jersey

Re-entry systems, electronic counter-measures.

Submarine Signal Division
Portsmouth, Rhode Island

Anti-submarine warfare systems, submarine and airborne sonar, transducers, ocean systems and equipment.

Raytheon Service Company
Burlington, Massachusetts

Installation and maintenance of electronic systems and equipment, education and training.

Switchcraft, Inc
Chicago, Illinois

Switches, jacks, plugs and connectors and audio accessory components.

Iowa Manufacturing Co.
Cedar Rapids, Iowa

Aggregate producing and asphalt mixing plants and paving equipment. Stationary and portable cone-type rock crushing machinery.

United Engineers & Constructors Inc.
Philadelphia, Pennsylvania
Boston, Massachusetts

Design, engineering and construction of conventional and nuclear power facilities and general industrial plants.

Raytheon Canada Limited
Waterloo, Ontario, Canada

Surface and shipboard radar and navigation systems; military communications, air traffic control systems, data display systems, shipboard defense systems.

Cossor Electronics Limited
Harlow, Essex, England

Air traffic control radar, transponders, marine equipment, VHG radios, instruments, displays.

Le Fil Dynamo S.A.
Lyon, France

Winding wire.

Lacroix & Kress, Klasing G.m.b.H. & Co.
Bramsche, West Germany

Ultra-fine wire, small diameter cable.

Sterling Greengate Cable Company Ltd.
Aldermaston, Berkshire, England

Electric power cables for military and industrial use, welding and power cables.

TAG Semiconductors Ltd.
Zurich, Switzerland

Semiconductor devices.

Data Logic Ltd.
England

Computer software and systems.

Electrical Installations Ltd.
England

Commercial installation of electrical systems.

SEDCO Systems, Inc.

Ferrite components; phased array antennas for electronic countermeasures.

Beech Aircraft Corporation
Wichita, Kansas

Designs and manufactures commuter, executive, personal military and special mission aircraft, cryogenic systems, airframes, logistic support and target missles.

Transfer Agent(s):

The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, Pacific & Midwest

Ticker Symbol: RTN

Number of Employees:

1984	72,600	1981	76,500
1983	76,100	1980	77,900
1982	72,000		

Plant Footage:

1984	27,560,000 sq.ft.	1981	26,200,000
1983	27,500,000	1980	19,896,000
1982	26,700,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 5,995,700	$ 243,200
1983	5,630,700	300,100
1982	5,217,300	318,800
1981	5,383,700	324,000
1980	4,774,600	282,300

	No. of Com. Shares #	Earn. per Share #
1984	84,662,000	$ 2.88
1983	84,530,000	3.55
1982	84,276,000	3.78
1981	83,958,000	3.86
1980	83,014,000	3.40

+ Of continuing operations only.
# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Electronics	$ 3,399,000	$ 2,995,000
Aircraft prods.	723,000	642,000
Energy services	680,000	926,000
Major appliances	797,000	710,000
Other	397,000	358,000
Total	$ 5,996,000	$ 5,631,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.45	—	—
1983	1.40	—	—
1982	1.40	—	—
1981	1.25	—	2-for-1
1980	1.05	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 1,979,200	$ 23.46
1983	1,887,400	22.30
1982	1,711,800	20.28
1981	1,536,000	18.25
1980	1,303,600	15.64

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 5,995,672	$ 5,630,657
Cost of sales	4,815,258	4,515,811
Expenses	761,393	729,122
Interest expense	8,613	14,082
Interest income	(114,328)	(107,524)
Other income	(20,011)	(18,240)
Income before taxes	$ 544,747	$ 497,406
Income taxes	204,653	188,822
Inc.- cont. oper.	$ 340,094	$ 308,584
Loss- discont. oper.	(1,852)	(8,437)
Loss- disposal of discont. oper.	(95,000)	—
Net Income	$ 243,242	$ 300,147

*Included in Costs and Expenses, Depreciation and Amortization: $173,630,000 in 1984 and $148,010,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 40,451	$ 38,310
Marketable securities	617,453	782,619
Accts. receiv., net	632,055	600,292
Contracts in progress	297,693	284,577
*Inventories	633,053	708,271
Prepaid expenses	9,928	13,280
Current Assets	$ 2 230,633	$ 2,427,349
#Fixed assets	948,249	936,385
Other assets	421,236	364,966
Total Assets	$ 3,600,118	$ 3,728,700

Liabilities
(000's)

	1984	1983
Notes payable & long-term debt, curr.	$ 36,909	$ 59,768
Accts. payable	352,075	337,422
Advance payments	464,590	554,031
Accrued payroll	151,557	145,884
Income taxes	331,770	384,061
Other accruals	198,527	261,026
Curr. Liabilities	$ 1,535,428	$ 1,742,192
Long-term debt	85,487	99,067
+ Common stock	84,354	84,626
Add. paid-in capital	154,403	150,554
Foreign currency translation adjustment	(61,134)	(43,962)
Retained earnings	1,801,580	1,696,223
Total Liabilities & Shareholders' Equity	$ 3,600,118	$ 3,728,700

* At cost (FIFO or average), but not in excess of net realizable value. Aircraft prods. Inventories are stated at lower of cost (LIFO) or market. Work in process stated at total cost incurred reduced by est. costs of units delivered.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Net Income to Equity	12.29	15.90
Sales to Inventories	9.47	7.95
Working Capital	$ 695,205,000	$ 685,157,000
Current Ratio	1.45	1.39
Shareholders' Equity	$1,979,203,000	$1,887,441,000

RCA Corporation

30 Rockefeller Plaza
New York, New York 10020
(212) 621-6000

Officers: Thornton F. Bradshaw, chairman of the board & chief executive officer; Robert R. Frederick, president & chief operating officer; Eugene E. Beyer, Jr., exec. v.p. & general counsel; William C. Hittinger, exec. v.p.-corporate technology; Richard W. Miller, exec. v.p. & chief financial officer; Frank A. Olson, Roy H. Pollack, Herbert S. Schlosser, exec. v.p's.; James M. Alic, sr. v.p.-corporate planning; Samuel W. Murphy, Jr., sr. v.p. & general counsel; Thomas B. Ross, sr. v.p.-corporate affairs; Edward L. Scanlon, sr. v.p.-employee relations; Eugene F. Murphy, Jack K. Sauter, John D. Rittenhouse, group v.p.'s; John H. Bermingham, v.p. and general attorney; D. Joseph Donahue, v.p. & general manager, Consumer Electronics Division; David I. Brenner, v.p. & controller; Allan D. Gordon, v.p.-licensing; John V. Regan, v.p.-patent operations; Raymond L. Scherer, v.p.-Washington; William M. Webster, v.p.-RCA Laboratories; John A. Rolls, v.p. & treasurer; William P. Alexander, secretary.

Directors: Thornton F. Bradshaw, Robert Cizik, I. Owen Funderburg, Peter G. Peterson, John Brademas, Thomas O. Paine, Robert R. Frederick, David C. Jones, John R. Petty, Cecily C. Selby, Donald B. Smiley.

Areas of Work: Engaged in the research, manufacture, distribution, sale, lease and servicing of consumer electronic products, including television, home video disc products, records and recorded tapes, commercial electronic products, including solid-state devices, commercial systems, and tubes and components; space and military electronic equipment. It is also engaged in furnishing network television and radio services and equipment and operating television and radio stations; furnishing overseas voice/record communications services and domestic communications satellite services; licensing patents and providing technical know-how; renting and leasing automobiles and trucks; manufacturing and selling carpets; and conducting other activities related to the foregoing. Through C.I.T. Financial Corporation, a diversified financial services organization, and its subsidiaries, RCA is also engaged in providing financial services in the fields of consumer financing, industrial financing and leasing, factoring and commercial financing, life and health insurance; and in the manufacture, sale and distribution of medical equipment, and other - paper products, and electrical outlet boxes and fittings.

Divisions:

Consumer Electronics
600 North Sherman Drive
Indianapolis, Indiana 46201
(317) 267-5000

Distributor and Special Products Division
2000 Clements Bridge Road
Deptford, New Jersey 08096
(609) 541-3636

RCA Records
1133 Avenue of the Americas
New York, New York 10036
(212) 930-4300

Solid State Division
Route 202
Somerville, New Jersey 08876
(201) 685-6000

Video Component and Display Division
New Holland Avenue
Lancaster, Pennsylvania 17604
(717) 397-7661

Government Systems Division
Marine Highway and Borton Landing Road
Moorestown, New Jersey 08057
(609) 541-7000

Commercial Communications Systems Division
Front and Cooper Streets
Camden, New Jersey 08102
(609) 338-3000

RCA Laboratories
David Sarnoff Research Center
Princeton, New Jersey 08540
(609) 452-2700

RCA Service Company
Route 38
Cherry Hill, New Jersey 08538
(609) 338-3000

RCA Electro-Optics and Devices
New Holland Avenue
Lancaster, Pennsylvania 17604
(717) 397-7661

Subsidiaries:

Coronet Industries, Inc.
Coronet Drive
P.O. Box 1248
Dalton, Georgia 30720
(404) 259-4511

National Broadcasting Company, Inc.
30 Rockefeller Plaza
New York, New York 10020
(212) 664-4444

RCA Distributing Corp.
600 North Sherman Drive
Indianapolis, Indiana 46201
(317) 267-6000

RCA American Communications, Inc.
201 Centennial Avenue
Piscataway, New Jersey 08854
(201) 885-4000

RCA Global Communications, Inc.
60 Broad Street
New York, New York 10040
(212) 248-2121

RCA Cylix Communications Network, Inc.

RCA Sales Corporation
600 North Sherman Drive
Indianapolis, Indiana 46201
(317) 267-6000

The Hertz Corporation
660 Madison Avenue
New York, New York 10021
(212) 980-2121
Car and truck rental and leasing services.

RCA International Development Corporation
30 Rockefeller Plaza
New York, New York 10020
(212) 598-5900

Transfer Agent(s):

RCA Corporation
30 Rockefeller Plaza
New York, New York 10020

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York

Ticker Symbol: RCA

Number of Employees:

1984	106,000	1981	119,000
1983	110,500	1980	133,000
1982	109,500		

Sales and Earnings ‡

	Net Sales + (000's)	Net Income (000's)
1984	$ 10,111,600	$ 341,000
1983	8,977,300	227,000
1982	8,016,000	216,200
1981	7,798,700	41,300
1980	7,809,900	312,100

	No. of Com. Shares	Earn. per Share #
1984	82,051,000	$ 3.30
1983	81,757,000	1.93
1982	81,476,000	1.94
1981	75,400,000	—
1980	75,164,000	3.31

‡ Restated to reflect change in accounting method to comply with FASB Statement No. 71, accounting for the effects of certain types of regulation.
+ Includes other revenue.
# Based on the average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Electronics - consumer products & services	$ 2,187,700	$ 1,802,400
Electronics-commercial products & services	1,312,200	1,139,500
Electronics-Govt. systems & service	1,442,300	1,299,100
Broadcasting	2,370,900	2,094,300
Records & videos	621,800	599,300
Transportation services	1,440,400	1,372,000
Communications	417,200	377,000
Other products & services	319,100	293,700
Total	$ 10,111,600	$ 8,977,300

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.01	—	—
1983	0.90	—	—
1982	0.90	—	—
1981	1.80	—	—
1980	1.80	—	—

Common Stock Equity †

	Total Equity ‡ (000's)	Equity Per Share
1984	$ 1,981,600	$ 22.57
1983	1,796,400	20.34
1982	1,716,300	19.38
1981	1,522,200	18.33
1980	1,696,100	20.67

† Restated.
‡ After allowing for preferred stock at liquidation value of $100 per share.

Income Account *

Year ended Dec. 31	1984	1983 ‡
Net sales & services	$ 10,111,600	$ 8,977,300
Cost of sales & services	7,844,800	7,015,400
Expenses	1,649,300	1,557,400
Interest expense	244,300	187,100
Other income	(66,500)	(25,000)
Investment income	(113,100)	(15,700)
Prov. for VideoDisc restructure	175,000	—
Income before taxes	$ 377,800	$ 258,100
Income taxes	131,400	109,800
Inc. - cont. oper.	$ 246,400	$ 148,300
Inc. - discont. oper.	18,900	78,700

	1984	1983
Cum. effect change in accounting princ.	75,700	—
Net Income	$ 341,000	$ 227,000

‡ Restated.
* Included in Costs and Expenses. Depreciation: $613,800,000 in 1984 and $540,000,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 175,300	$ 97,500
Receiv., net	1,650,900	1,287,900
*Inventories	758,800	645,900
Prepaid expenses	178,400	141,500
Rental autos of Hertz	1,044,400	990,600
Television progr. costs	399,700	393,400
Current Assets	$ 4,207,500	$ 3,556,800
#Fixed assets	2,028,800	1,862,400
Rev.-earning equip.	328,900	376,500
Long-term receiv.	84,500	81,400
Invest. in C.I.T.	1,199,400	1,405,000
Other assets	371,600	366,400
Total Assets	$ 8,220,700	$ 7,648,500

Liabilities
(000's)

	1984	1983
Notes payable	$ 394,900	$ 343,500
Hertz debt	299,100	260,200
Accts. payable	747,200	728,500
Accrued comp.	298,600	274,300
Other accruals	1,154,700	1,168,600
Income taxes	210,600	143,800
Curr. Liabilities	$ 3,105,100	$ 2,918,900
Long-term debt (Hertz)	727,600	748,500
Other long-term debt	869,200	982,500
Deferred inc. taxes & other liabilities	866,500	534,500
+ Pref. stock with mand. redemp.:		
$3.65 cumulative	342,300	339,600
$2.125 cum. convert.	220,000	219,000
+ Preferred stock:		
$3.50 cumulative	2,100	2,100
$4 cumulative	7,600	7,700
+ Common stock	54,700	54,500
Add. paid-in capital	598,300	591,500
Retained earnings	1,495,100	1,306,200
Trans. adjust.	(67,800)	(56,500)
Total Liabilities & Shareholders' Equity	$ 8,220,700	$ 7,648,500

* At lower of cost (FIFO) or market: domestic inventories at lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

% Net Income to Equity	16.32	11.91
Working Capital	$1,102,400,000	$ 637,900,000
Current Ratio	1.36	1.22
Shareholders' Equity	$2,090,000,000	$1,905,500,000

Recognition Equipment Incorporated

2701 East Grauwyler Road
Irving, Texas 75061
(214) 579-6000

Mailing address:

P.O. Box 660204
Dallas, Texas 75266

Officers: William G. Moore, president & chief exec. officer; Israel Sheinberg, group v.p.; John C. Hall, Robert W. Reedy, Sigvard Carlefred, Philip M. Colquhoun, Samuel L. Densmore III, James D. Donoho, Dwayne L. McAfee, v.p.'s; George A. O'Brien, v.p. & chief financial officer; Thomas A. Loose, sr. v.p., secretary & general counsel; Robert Drury, controller; David Willis, treasurer.

Directors: John Lawrence*, chairman of the board; Trammell Crow*, Howard J. Runnion, Jr., Israel Sheinberg, William G. Moore, Jr., William C. Hittinger, Thomas L. Ringer, William H. Seay.

* Member of the Executive Committee.

Areas of Work: Engaged in the design, manufacture, market, and service of a variety of information processing systems employing optical character recognition, magnetic, ink character recognition, image capturing, high-speed paper handling, ink-jet printing and innovative software/hardware integration technologies. Systems are used for data acquisition, document handling and document truncation in such applications as centralized data entry, high-speed document processing, mail processing and distributed data processing.

Subsidiaries:

Recognition Business Systems, Inc.
Irving, Texas

Recognition Equipment (Asia) Pte Ltd.
Republic of Singapore

Recognition Equipment (Canada) Ltd.
Toronto, Canada

Recognition Equipment Danmark APS
Copenhagen, Denmark

Recognition Equipment France, S.A.
Paris, France

Recognition Equipment GmbH
Frankfurt, West Germany

Recognition Equipment Iberica S.A.
Madrid, Spain

Recognition Equipment Finland OY AB
Helsinki, Finland

AB Recognition Equipment Industri
Stockholm, Sweden

Recognition Equipment Italia, S.p.A.
Rome, Italy

Recognition Equipment Nederland, B.V.
Amsterdam, Netherlands

Recognition Equipment Norge A/S
Oslo, Norway

Recognition Equipment (Japan) Inc.
Tokyo, Japan

Recognition Equipment Limited
London, England

Recognition Equipment Europe S.A.
Brussels, Belgium

Recognition Pacific Limited
Sydney, Australia

C.C. Consolidated Computer International, Inc.
Irving, Texas

Transfer Agent(s):

MBank Dallas, N.A.
P.O. Box 225415
Dallas, Texas 75265

Stock Exchange(s): New York

Ticker Symbol: REC

Number of Employees:

1984	N.A.	1981	3,000
1983	1,944	1980	2,700
1982	1,924		

Plant Footage:

1984	N.A.	1983	356,655 sq. ft.

N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 140,140,000	$ 7,446,000
1983	117,042,000	9,554,000
1982	112,402,000	(14,162,000)
1981 ×	131,468,000	(9,124,000)
1980 ×	113,102,000	5,763,000

	No. of Com. Shares	Earn. per Share ‡ #
1984	6,004,393	$ 0.96
1983	6,004,393	1.42
1982	6,004,393	—
1981 ×	6,004,393	—
1980 ×	5,988,824	0.96

(Loss)
× Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.
‡ Including extraordinary gains of $1,275,000 ($0.16 per share) in 1984 and $6,316,000 ($0.08 per share) in 1983.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 66,792,000	$ 11.12
1983	60,126,000	10.01
1982	34,477,000	5.74
1981	50,207,000	8.36

Income Account *
(000's)

Year ended Oct. 31	1984	1983
Revenues	$ 140,140	$ 117,042
Cost of sales & oper. expenses	84,548	71,983
Research & develop.	6,403	6,423
Selling, general & adm. exp.	32,928	25,042
Oper. expenses	5,349	4,945
Oper. profit	$ 10,912	$ 8,649
For. exch. loss	—	402
Other charges	1,586	1,378
Interest income	(3,691)	(3,360)
Interest expense	3,221	4,934
Fee from patent license	—	(1,554)
Income before taxes	$ 9,796	$ 6,849
Income taxes	3,625	3,611
Net Income	$ 6,171	$ 6,849
Extraordinary gain	1,275	6,316
Net Income & extraordinary gain	$ 7,446	$ 9,554

* Included in Costs and Expenses. Depreciation: $4,658,000 in 1984 and $4,888,000 in 1983.

Assets
(000's)

As of Oct. 31	1984	1983
Cash	$ 9,593	$ 23,273
Accts. receiv., net	32,745	25,400
*Inventories	42,945	29,815
Long-term contracts	2,095	—
Other assets	913	1,305
Current Assets	$ 88,291	$ 79,793
#Fixed assets	20,098	19,127
Long-term receiv.	13,889	11,491
Other assets	2,953	3,136
Total Assets	$ 125,231	$ 113,547

Recognition Equipment Incorporated

Liabilities
(000's)

Short-term debt	$ 3,139	$ 3,225
Accts. payable	8,477	5,525
Accruals	14,206	12,552
Customer advances	6,343	4,933
Income taxes	1,626	1,910
Curr. Liabilities	$ 33,791	$ 28,145
Long-term debt	21,393	22,077
Deferred inc. taxes	3,255	3,199
+ Common stock	1,923	1,900
Add. paid-in capital	69,935	69,369
Retained earnings (deficit)	1,140	(6,306)
Translation adjust.	(5,470)	(4,101)
Treasury stock	(736)	(736)
Total Liabilities & Shareholders' Equity	$ 125,231	$ 113,547

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.99	5.85
%Net Income to Sales	4.40	2.77
%Net Income to Equity	9.24	5.39
Working Capital	$54,500,000	$51,648,000
Current Ratio	2.61	2.84
Shareholders' Equity	$66,792,000	$60,126,000

Rectisel Corporation

21 Gray Oaks Avenue
Yonkers, New York 10710
(914) 965-4400

Officers: Robert I. Mendels, president & chairman of the board; Jack D. Weiner, David Mendels, v.p.'s; Henry S. Kolokowsky, v.p.-manufacturing; Dennis Dean, v.p.-marketing; R.A. Pozzuoli, secretary-treasurer.

Directors: Robert I. Mendels, Carol Mendels, David B. Mendels.

Divisions:

R.I. Mendels Company
Export electrical components and equipment and acts as export agent for subsidiary.

Component Sales Company
Sales company for electronic components.

Subsidiaries:

Electronic Devices, Inc.
21 Gray Oaks Avenue
Yonkers, New York 10710
Designs, develops, manufactures and sells high-voltage silicon rectifiers (diodes), and related rectifier assemblies for use in color sets, medical instruments, navigation equipment, computers and peripherals, power tools, business machines and other applications.

Rectifiers Ltd.
United Kingdom

EDI Halbleiter GmbH
West Germany

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, N.J. 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RECT (NASDAQ)

Number of Employees:

1984	100	1982	N.A.
1983	95	1981	110

N.A.-Not available

Plant Footage:

1984	45,000 sq. ft.	1981	45,000
1983	45,000	1980	45,000
1982	45,000		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 8,426,059	$ 434,899
1983	6,343,823	296,428
1982	6,001,329	210,362
1981	5,947,984	199,271
1980	6,252,000	234,000

	No. of Com. Shares ‡	Earn. per Share ‡ †
1984	985,380	$ 0.45
1983	925,380	0.32
1982	937,880	0.22
1981	939,880	0.21
1980	949,119	0.24

† Including extraordinary gain of $51,840 ($0.05 per share) in 1980.
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 2,604,120	$ 2.64
1983	2,124,221	2.30
1982	1,847,276	1.97
1981	1,639,164	1.74
1980	1,439,893	1.52

‡ Based on the weighted average number of common shares outstanding.

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 8,426,059	$ 6,343,823
Cost of sales	6,234,965	4,597,513
Expenses	1,511,736	1,317,630
Other income	(67,690)	(68,763)
Income before taxes	$ 747,048	$ 497,443
Income taxes	312,149	201,015
Net Income	$ 434,899	$ 296,428

* Included in Costs and Expenses, Depreciation and Amortization: $178,937 in 1984 and $154,500 in 1983.

Assets

As of Aug. 31	1984	1983
Cash & cash equiv.	$ 687,956	$ 676,416
Accts. recv., net	1,337,630	844,752
*Inventories	1,270,712	947,214
Prepaid expenses & other assets	25,545	71,919
Inc. & franchise taxes receiv.	12,140	—
Current Assets	$ 3,333,983	$ 2,540,301
#Fixed assets	615,172	595,943
Other assets	106,185	100,545
Total Assets	$ 4,055,340	$ 3,236,789

Liabilities

Note payable	$ 6,000	$ —
Long-term debt, curr.	165,811	199,529
Accts. payable	660,016	327,152
Income taxes & other accruals	366,257	294,822
Deferred income taxes	—	10,945
Curr. Liabilities	$ 1,198,084	$ 832,448
Long-term debt	207,721	259,990
Deferred inc. taxes	45,415	20,130
+ Common stock	149,395	143,395
Add. paid-in capital	320,311	281,311
Retained earnings	2,191,203	1,756,304
Treasury stock	(56,789)	(56,789)
Total Liabilities & Shareholders Equity	$ 4,055,340	$ 3,236,789

* At lower of cost (parent co. at FIFO; subsid. at LIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.87	7.84
%Net Income to Sales	5.16	4.67
%Net Income to Equity	16.70	13.95
Sales to Inventories	6.63	6.70
Working Capital	$2,135,899	$2,408,341
Current Ratio	2.78	3.89
Shareholders' Equity	$2,604,120	$2,124,221

Regency Electronics, Inc.

7707 Records Street
Indianapolis, Indiana 46226
(317) 545-4282

Officers: O. Ritter, chairman of the board; Joseph E. Boone, president; & chief executive officer; Steven L. Wilkening, treasurer; James K. Sommer, secretary.

Directors: Floyd O. Ritter, chairman; Edwin J. Sommer, Sr., James K. Sommer, Joseph B. Weaver, Nelson A. Boyd, Sr., Joseph E. Boone, Ralph R. Whitney, Jr.

Areas of Work: Produces and markets electronic test equipment, for commercial and avionics markets; transceivers and receivers for public service, business and the consumer radio market; energy load management radio switches for the utilities industry and CATV converter systems.

Joint Venture:

Roman, Inc.
Manufactures CATV converters.

Subsidiaries:

IFR, Inc.
10200 W. New York St.
Wichita, Kansas 67215
(316) 522-4981
Produces a line of aviation and commercial electronics test equipment.

Regency Communications, Inc.
1227 South Patrick Drive
Satellite Beach, Florida 32937
(305) 777-1414
Makes two-way FM mobile radios and marine radios.

Regency Land Mobile, Inc.
Las Vegas, Nevada 89103
(702) 739-1931
Produces two-way FM radios and FM amateur radios.

RXD, Inc.
806 Custer Avenue
Norfolk, Nebraska 68701
Buys and sells quartz crystals.

Wilson Electronics, Inc. (Philippines)
SFB #3
Bataan Export Processing Zone
Bataan, Philipines 1914
Manufactures electronic devices.

Regency Electronics, Inc.
P.O. Box 1743
Port-Au-Prince, Haiti

Japan Sourcing & Marketing Offices
Sugaya Bldg. 2nd floor
7-3, Yonbancho
Chiyoda-Ku, Tokyo, 102
Yonemura Bldg. 6-2-14
Akasaka, Minato-ku
Tokyo, 107

Taiwan Sourcing Office
P.O. Box 3702
Taipei, Taiwan
R.O.C.

Transfer Agent(s):

Merchants National Bank & Trust Co.
1 Merchants Plaza
Indianapolis, Indiana 46255

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RGCY (NASDAQ)

Number of Employees:

1984	1,700	1981	1,150
1983	1,500	1980	1,250
1982	1,300		

Plant Footage:

1984	314,000 sq ft	1981	270,000
1983	314,000	1980	270,000
1982	270,000		

Sales and Earnings

	Net Sales#	Net Income
1984	$ 109,468,676	$ 2,026,261
1983	87,343,727	6,960,523
1982	66,235,028	5,055,363
1981	70,820,935	7,860,577
1980	57,570,879	5,149,751

	No. of Com. Shares ‡	Earn. per Share ‡
1984	10,730,000	$ 0.19
1983	10,723,000	0.65
1982	10,788,000	0.47
1981	10,780,000	0.73
1980	10,752,000	0.48

Includes other income.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.20	—	2-for-1
1983	0.20	—	—
1982	0.20	—	—
1981	0.19	—	2-for-1
1980	0.175	—	—

† Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 44,776,636	$ 4.17
1983	44,894,118	4.19
1982	40,033,428	3.71
1981	37,546,678	3.48
1980	31,461,328	2.93

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 109,468,676	$ 87,343,727
Other income	1,154,567	431,123
Total income	$ 110,623,243	$ 87,774,850
Cost of sales	70,185,639	54,460,774
Expenses	22,845,357	18,281,950
Impairment in invest. value of com-stock	5,100,000	—
Amort. of goodwill	845,780	47,083
Interest expense	1,508,886	162,352
Minority interest	559,638	1,366,557
Other charges	195,682	167,611
Income before taxes	$ 9,382,261	$ 13,288,523
Income taxes	7,356,000	6,328,000
Net Income	$ 2,026,261	$ 6,960,523

*Included in Costs and Expenses, Depreciation and Amortization: $1,695,074 in 1984 and $1,545,525 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 142,653	$ 1,792,884
Accts. receiv., net	25,777,719	19,242,486
*Inventories	33,496,107	26,089,242
Deferred employee benefits	1,499,300	1,144,000
Prepaid expenses	1,320,045	373,800
Deferred fed. inc. taxes	781,963	—
Current Assets	$ 63,017,787	$ 48,642,412
#Fixed assets	14,137,141	7,379,738
Prop. under cap. leases	1,791,595	1,954,589
Other assets	466,007	84,806
Intangibles	10,436,084	729,787
Invest in common stock	2,400,000	—
Total Assets	$ 92,248,614	$ 58,791,332

Liabilities

Notes payable	$ 12,291,667	$ —
Cap. lease oblig., curr.	3,155,700	98,751
Accts. payable	5,483,355	3,350,993
Accruals	3,105,420	2,262,636
Accrued payroll	1,810,152	1,468,999
Income taxes	—	1,602,554
Deferred income taxes	4,791,000	391,000
Contribution to VEBA trust	1,493,067	1,105,478
Other taxes	915,745	709,211
Mfg. credits payable	2,419,872	—
Curr. Liabilities	$ 35,465,978	$ 10,989,622
Long-term debt	9,500,000	—
Cap. lease oblig.	2,000,000	2,110,726
Deferred inc. taxes	506,000	461,000
Minority interest	—	335,866
+ Common stock	2,208,539	2,206,539
Retained earnings	42,977,597	43,097,079
Treasury stock	(409,500)	(409,500)
Total Liabilities & Shareholders' Equity	$ 92,248,614	$ 58,791,332

*At lower of cost (FIFO) or market.
#Less accumulated depreciation.
+ No par value.

Statistical Summary

% Income bef. Taxes to Sales	8.57	15.21
% Net Income to Sales	1.85	7.97
% Net Income to Equity	4.53	15.50
Sales to Inventories	3.27	3.35
Working Capital	$27,551,809	$37,652,790
Current Ratio	1.78	4.43
Shareholders' Equity	$44,776,636	$44,894,118

Resdel Industries

300 East Live Oak Avenue
Arcadia, California 91106
(213) 445-5955

Officers: H.K. Abajian, chairman; John S. Hartwell, v.p.-corp. planning; Stanley K. Weissberg, president & chief executive officer; Barbara J. Pursell, v.p.-finance & chief financial officer; Malcolm F. Brown, Jr., v.p.

Directors: H.K. Abajian*, S.L. Hahn, R.C. Sherburne*, T.P. Collier, G.A. Macer, John S. Hartwell*, Stanley K. Weissberg*, Stanley L. Hahn, John A. Brink.

* Member of the Executive Committee.

Areas of Work: Engaged in the design, development and manufacture of highly technical electronic communications systems and devices for government and prime contractors and in the design and distribution of consumer electronic communication products.

Subsidiaries:

Resdel Engineering Corporation
300 East Live Oak Avenue
Arcadia, California 91106

Engaged in the development and manufacture of government communications products; 20 watt S-band transmitters, miniature monitor receivers, microprinters, and 40 watt L-band strip line transmitters.

Fanon/Courier Corporation
300 East Live Oak Avenue
Arcadia, California 91106

Manufactures and markets consumer electronic products; intercoms for all types of applications, walkie-talkies, telephone amplifiers, PA amplifiers, megaphones, loudspeakers, radio transmitters, pocket pagers, cordless telephones, portable scanners, etc.

Resdel Communications Corporation
300 East Live Oak Avenue
Arcadia, California 91106

Resdel International Japan, Ltd.
Tokyo, Japan

Evaluation and acquisition of products from the Orient.

Transfer Agent(s):

First Interstate Bank of California
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RESD (NASDAQ)

Number of Employees:

1984	162	1981	179
1983	N.A.	1980	225
1982	N.A.		

Plant Footage:

1984	44,000 sq. ft.	1981	44,000
1983	44,000	1980	90,000
1982	44,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income †
1984	$ 7,622,000	$ (2,067,000)
1983	8,879,000	512,000
1982	7,309,000	264,000
1981	6,045,000	(1,463,000)
1980	12,392,000	(1,310,000)

	No. of Com. Shares	Earn. per Share #†
1984	3,761,050	$ —
1983	3,761,050	0.14
1982	3,761,050	0.07
1981	3,761,050	—
1980	961,050	—

(Loss)
† Including extraordinary gains of $211,000 ($0.06 per share) in 1983 and $76,000 ($0.02 per share) in 1982.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983	1982
Govt. prods. area:			
Receiver equip.	32%	48%	56%
Transmitter equip.	32	39	23
Digital equip.	13	7	12
Export prods. area:			
Receiver equip.	4	6	9
Other	1	—	—
Industrial prod. area:			
Receiver equip.	16	—	—
Digital equip.	2	—	—
Total	100%	100%	100%

Income Account

Year ended June 30	1984	1983
Net sales	$ 7,622,000	$ 8,879,000
Cost of sales	6,906,000	6,378,000
Expenses	2,215,000	1,678,000
Research & devel.	222,000	110,000
Depreciation & amortization	197,000	196,000

Resdel Industries

Interest expense	249,000	205,000
Other income	(100,000)	(231,000)
Inc. (loss) bef. taxes	$ (2,067,000)	$ 543,000
Income taxes	—	242,000
Net Income (Loss)	$ (2,067,000)	$ 301,000
Extraord. gain	—	211,000
Net Income (Loss) & extraord. gain	$ (2,067,000)	$ 512,000

Assets

As of June 30	1984	1983
Cash	$ 24,000	$ 196,000
Short-term invest.	—	550,000
Accts. receiv., net	904,000	1,748,000
*Inventories	1,552,000	917,000
Prepaid expenses	71,000	56,000
Refund. inc. taxes	43,000	11,000
Current Assets	$ 2,594,000	$ 3,478,000
#Fixed assets	743,000	700,000
Other assets	18,000	20,000
Total Assets	$ 3,355,000	$ 4,198,000

Liabilities

Long-term debt, curr.	$ —	$ 400,000
Accts. payable	248,000	298,000
Accruals	275,000	321,000
Accrued payroll	292,000	486,000
Income taxes	108,000	66,000
Curr. Liabilities	$ 923,000	$ 1,571,000
Long-term debt	3,699,000	1,827,000
+ Common stock	1,881,000	1,881,000
Add. paid-in capital	7,038,000	7,038,000
Retained earnings (deficit)	(10,186,000)	(8,119,000)
Total Liabilities & Shareholders' Equity	$ 3,355,000	$ 4,198,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	6.12
%Net Income to Sales	—	3.39
%Net Income to Equity	—	37.63
Sales to Inventories	4.91	9.68
Working Capital	$ 1,671,000	$1,907,000
Current Ratio	2.81	2.21
Shareholders' Equity (Deficiency)	$(1,267,000)	$ 800,000

Research, Incorporated

P.O. Box 24064
Minneapolis, Minnesota 55424
(612) 941-3300

Officers: A.E. Abramson, president; W.A. Erdahl, vice president & asst. secretary; R.G. Crane, W.M. Mader, J.A. Ruce, F.T. Renshaw, G.W. Sangster, v.p.'s; G.E. Magnuson, secretary; C.C. Johnson, treasurer.

Directors: A.E. Abramson, J.R. Anderson, K.G. Anderson, W.J. Benjamin, G.E. Magnuson.

Areas of Work: Designs, manufactures and sells proprietary products from the following three related groups: electronic and/or electrical process control instruments, radiant heating devices and telecommunications terminals.

Divisions and Subsidiaries:

Process Systems Division
Teleray Division
International Division

Research International, Inc. (DISC)
P.O. Box 24064
Minneapolis, Minnesota 55424

Transfer Agent(s):

Northwest Bank Minneapolis, N.A.
7th Street at Marquette Avenue
Minneapolis, Minnesota 55479

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RESR (NASDAQ)

Number of Employees:

1984	252	1981	292
1983	258	1980	293
1982	276		

Plant Footage:

1984	90,000 sq. ft.	1981	90,000
1983	90,000	1980	90,000
1982	90,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 21,175,627	$ 1,567,276
1983	21,442,807	1,205,178
1982	22,188,525	1,526,224
1981	22,832,832	1,853,259
1980	21,400,467	1,702,213

	No. of Com. Shares	Earn. per Share#
1984	1,629,500	$ 0.96
1983	1,629,500	0.74
1982	1,629,500	0.94
1981	1,629,500	1.14
1980	1,605,000	1.06

Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984 (000's)	%	1983 (000's)	%
Process control instruments	$ 9,043	43%	$10,341	48%
Radiant heating devices	7,164	34	5,719	27
Telecommunications terminals	4,969	23	5,383	25
Total	$21,176	100%	$21,443	100%

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.25	—	—
1983	0.25	—	—
1982	0.24	—	—
1981	0.20	—	—
1980	0.16	—	2-for-1

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 12,735,600	$ 7.82
1983	11,575,725	7.10
1982	10,777,932	6.61
1981	9,642,797	5.92
1980	8,081,346	5.04

‡ Adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 21,175,627	$ 21,442,807
Cost of sales	11,915,967	12,459,088
Expenses	7,551,190	7,118,029
Other income	(641,282)	(345,619)
Prof. sh. plan	234,976	221,131
Income before taxes	$ 2,114,776	$ 1,990,178
Income taxes	547,500	785,000
Net Income	$ 1,567,276	$ 1,205,178

* Included in Costs and Expenses, Depreciation: $291,246 in 1984 and $336,510 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 272,007	$ 523,143
Short-term investments	5,349,811	4,571,129
Accts. receiv., net	4,418,194	3,618,941
*Inventories	4,478,841	4,407,221
Prepaid expenses	60,361	109,581
Current Assets	$ 14,579,214	$ 13,230,015
#Fixed assets	1,863,933	1,904,352
Total Assets	$ 16,443,147	$ 15,134,367

Liabilities

Accts. payable	$ 1,291,486	$ 1,136,886
Accruals	1,689,959	1,343,510
Income taxes	726,086	679,246
Curr. Liabilities	$ 3,707,531	$ 3,159,642
Deferred inc. taxes	—	399,000
+ Common stock	814,770	899,570
Add. paid-in capital	37,542	174,217
Retained earnings	11,883,304	10,723,413
Treasury stock	—	(221,475)
Total Liabilities & Shareholders' Equity	$ 16,443,147	$ 15,134,367

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.99	9.28
%Net Income to Sales	7.40	5.62
%Net Income to Equity	12.31	10.41
Working Capital	$10,871,683	$10,070,373
Current Ratio	3.93	4.19
Shareholders' Equity	$12,735,616	$11,575,725

Rexham Corporation

90 Park Avenue
New York, New York 10016
(212) 883-0915

Executive Office

1201 Greenwood Cliff
Charlotte, North Carolina 28235
(704) 371-5700

Officers: Scott C. Lea, president; Keith F. Kennedy, sr. v.p.-law; Charles C. Brown, v.p.-Machinery Group; E. Alan Erb, v.p.-Flexible Packaging; E. Bryant Frech, v.p.-Industrial Group; Thomas M. Little, v.p.-Packaging Group; Thomas L. McVerry, v.p.-finance & resources; W. Battle Wall, III, v.p.-carton, film & label packaging; Wesley G. Soule, treasurer; Rubina I. Grosso, secretary; Staton E. Boyette, Jr., controller.

Directors: F. Kenneth Iverson, J. Sinclair Armstrong, Roscoe C. Ingalls, Jr., Keith F. Kennedy, Scott C. Lea, Edward H. Michaelsen, Orland M. Scott, John Hoyt Stookey, Norman E. Auerbach.

Divisions and Subsidiaries:

Schiller Industries, Inc.
2000 Highway 157 West
P.O. Box 1088
Cullman, Alabama 35055
(205) 739-1115

Manufactures ultraclose machine components for defense, aerospace, and commercial applications. Also produces electronic assemblies and custom designed interconnect harness systems.

Laminex, Inc.

Manufactures security identification and graphic laminating systems.

Bartelt Machinery

Designs and manufactures machines that horizontally form, fill, and seal packages made from flexible materials.

Carton, Film & Label Packaging
Manufactures printed paperboard, films, pressure sensitive labels, and combinations plastic packaging for hosiery, textiles, cosmetics, pharmaceuticals, personal care, consumer electronics and hardware.

National Spectrographic Laboratories
Instrumentation and precision analytical testing for the aerospace, metals, energy, ceramics and chemical industries.

Flexible Packaging
Manufactures printed, coated, and laminated papers, films, foils for convenience foods, tobacco, photographic and health care products.

Industrial Films
Develops technical coatings and laminations of foils, tissues, and films for the electronic, automotive, and photographic industries and is engaged in the field of commercial chemical analysis.

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: RXH

Number of Employees:

1984	N.A.	1983	2,557

N.A. - Not Available.

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 213,938,000	$ 7,033,000
1983	196,739,000	7,714,000
1982	190,651,000	8,992,000
1981	189,854,000	9,445,000
1980	168,902,000	6,677,000

	No. of Com. Shares	Earn. per Share † ‡
1984	4,067,379	$ 1.73
1983	4,057,558	1.85
1982	4,294,008	2.09
1981	4,303,717	2.19
1980	4,304,392	1.55

+ Of continuing operations only.
† Including extraordinary loss of $784,000 ($0.18 per share) in 1980.
‡ Based on the weighted average number of common shares outstanding during the year.

Revenues By Line of Business
(000's)

	1984	1983
Coated or laminated paper, film & foil	$ 115,351	$ 99,851
Plain or uncoated film & others	10,321	10,450
Converted paperboard	38,358	37,816
Machinery	21,208	20,870
Precision metal & electronic components	28,700	27,752
Total	$ 213,938	$ 196,739

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.70	—	—
1983	0.625	—	—
1982	0.60	—	—
1981	0.60	—	—
1980	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 79,326,000	$ 19.50
1983	75,798,000	18.68
1982	77,745,000	18.11
1981	72,018,000	16.73
1980	65,328,000	15.18

Income Account *
(000's)

Year ended	12/30/84	1/1/84
Net sales	$ 213,938	$ 196,739
Cost of sales	176,088	161,608
Expenses	21,617	20,317
Interest & financing expense	1,426	1,463
Other expense	2,074	124
Income before taxes	$ 12,733	$ 13,227
Income taxes	5,700	5,513
Net Income	$ 7,033	$ 7,714

* Included in Costs and Expenses, Depreciation and Amortization: $6,437,000 in 1984 and $6,293,000 in 1983.

Assets
(000's)

As of	12/30/84	1/1/84
Cash	$ 7,494	$ 3,777
Short-term investments	9,153	8,668
Receivables, net	24,285	22,873
*Inventories	31,452	32,318
Other assets	1,420	1,012
Current Assets	$ 73,804	$ 68,648
#Fixed assets	59,451	57,937
Other assets	5,705	5,882
Total Assets	$ 138,960	$ 132,467

Liabilities
(000's)

Accts. payable	$ 14,948	$ 12,833
Accrued payroll	8,167	7,443
Income taxes pay.	1,507	2,060
Other accruals	1,361	1,686
Dividends payable	712	710
Curr. Liabilities	$ 26,695	$ 24,732
Long-term debt	22,491	22,812
Oblig. under cap. leases	459	805
Deferred inc. taxes	7,758	5,890
Other liab.	2,231	2,430
+ Common stock	4,500	4,500
Add. paid-in capital	31,277	31,430
Retained earnings	52,696	49,273
Treasury stock	(9,147)	(9,405)
Total Liabilities & Shareholders' Equity	$ 138,960	$ 132,467

* At lower of cost principally average or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.95	6.72
%Net Income to Sales	3.29	3.92
%Net Income to Equity	8.87	10.18
Sales to Inventories	6.80	6.09
Working Capital	$47,109,000	$43,916,000
Current Ratio	2.76	2.78
Shareholders' Equity	$79,326,000	$75,798,000

Ripley Company, Inc.

46 Nooks Hill Road
Cromwell, Connecticut 06416
(203) 635-2200

Officers: H.I. Thayer, Jr., president & chief executive officer; Alvah A. Russell, Jr., v.p.-engineering; James J. Matthews, vice president; Sebastian DiStefano, treasurer; S. Michael Schatz, secretary.

Directors: Sebastian DiStefano, H.I. Thayer, Jr., James J. Matthews, Lewis B. Daniels, Jr., Douglas Kellogg, James E. Griffin, Richard T. Gibbons.

Areas of Work: Specializes in the manufacture of blowers, electronics and mechanical timers, cable preparation tools and light-activated sunswitches, decorative street lights and packages to convert mercury vapor lights to high pressure sodium lights.

Subsidiaries:

Utility Tool Corporation
East Haddam, Connecticut
Manufactures cable stripping equipment

Transfer Agent(s):

The Connecticut Bank & Trust Co., N.A.
Hartford, Connecticut 06115

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RIPY (NASDAQ)

Sales and Earnings

	Net Sales	Net Income ‡
1985	$ 5,314,988	$ 356,331
1984	4,756,828	302,277
1983	5,385,549	338,269
1982	5,060,102	307,417
1981	5,129,232	474,383

	No. of Com. Shares	Earn. per Share ‡
1985	588,280	$ 0.61
1984	588,280	0.51
1983	588,280	0.58
1982	588,280	0.52
1981	588,280	0.82

‡ Including extraordinary credit of $31,768 ($0.05 per share) in 1981.

Revenues By Line of Business

	1985	1984
Electronic equipment	$ 3,627,396	$ 3,091,857
Blower parts & accessories	283,606	282,007
Cable preparation tools	1,403,986	1,382,964
Total	$ 5,314,988	$ 4,756,828

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.20	—	—
1984	0.20	—	—
1983	0.20	—	—
1982	0.20	—	—
1981	0.16	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 2,699,882	$ 4.59
1984	2,461,207	4.18
1983	2,276,586	3.87
1982	2,055,973	3.49
1981	1,866,212	17

Income Account *

Year ended Feb. 28	1985	1984
Net sales	$ 5,314,988	$ 4,756,828
Cost of sales	3,540,454	3,162,516
Expenses	1,169,021	1,058,051
Other income	(78,318)	(49,276)
Income before taxes	$ 683,831	$ 585,537
Income taxes	327,500	283,260
Net Income	$ 356,331	$ 302,277

* Included in Costs and Expenses, Depreciation & Amortization: $84,056 in 1985 and $79,756 in 1984.

Ripley Company, Inc.

Assets

As of Feb. 28	1985	1984
Cash	$ 912,238	$ 1,001,259
Accts. receiv., net	764,669	711,996
*Inventories	1,397,155	960,147
Prepaid expenses & deferred charges	30,039	29,076
Current Assets	$ 3,104,101	$ 2,702,472
#Fixed assets	669,924	692,157
Other assets	15,113	18,186
Total Assets	$ 3,789,138	$ 3,412,815

Liabilities

	1985	1984
Long-term debt, curr.	$ 44,827	$ 41,971
Accts. payable	216,410	213,837
Accruals	340,051	237,677
Income taxes	136,964	80,543
Curr. Liabilities	$ 738,252	$ 574,028
Lease obligations	263,004	307,580
Defer. inc. taxes	88,000	70,000
+Common stock	297,975	297,975
Add. paid-in capital	413,529	413,529
Retained earnings	2,065,078	1,826,403
Treasury stock	(76,700)	(76,700)
Total Liabilities & Shareholders' Equity	$ 3,789,138	$ 3,412,815

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.87	12.31
%Net Income to Sales	6.70	6.35
%Net Income to Equity	13.20	12.28
Sales to Inventories	3.80	4.95
Working Capital	$2,365,849	$2,128,444
Current Ratio	4.20	4.71
Shareholders' Equity	$2,699,882	$2,461,207

RMS Electronics, Inc.

50 Antin Place
Bronx, New York 10462
(212) 892-6700

Officers: Joseph F. Bradway, Jr., chairman of the board, chief executive officer; Arthur A. Fink, vice-chairman & treasurer; Donald Edelman, president & chief operating officer; Dominick Padilla, v.p.-operations; Reynaldo Perez, v.p.-CATV Division; J. Robert Siegel, v.p.-Kenyon Magnetics; Jessie A. Ellis, asst. secretary; Harry Bogatch, v.p.-finance & secretary; Lawrence Gabel, controller.

Directors: Myron Cohen, Jessie A. Ellis, Arthur A. Fink, William J. Barrett, Kenneth Frank, Donald Edelman, Harry Bogatch, John de Elorza, Kerwin McMahon, Dominick Padilla, J. Robert Siegel.

Areas of Work: Designs, manufactures, imports and distributes radio frequency (RF) passive devices, and related products for the cable television connectors, converters industry. Manufactures a line of stand-by, AC regulated and inverter power supplies for the cable TV industry.

Subsidiaries:

Poleline Corporation
Distributor operation that supplies construction materials to the cable television industry.

Kenyon Magnetics, Inc.
Manufactures transformers and other allied products.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, N.J. 07016

Stock Exchange(s): American

Ticker Symbol: RMS

Sales and Earnings

	Net Sales	Net Income
1984	$ 19,443,000	$ (1,878,000)
1983	19,304,000	(113,000)
1982	21,843,000	(382,000)
1981	24,829,000	959,000
1980	19,381,458	1,216,052

	No. of Com. Shares ‡	Earn. per Share ‡
1984	1,630,618	$ —
1983	1,622,186	—
1982	1,624,285	—
1981	1,591,410	0.60
1980	1,379,867	0.88

(Loss)
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 5,529,763	$ 3.39
1983	7,397,013	4.56
1982	7,461,018	4.59
1981	7,833,396	4.92
1980	5,945,153	4.11

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 19,548,696	$ 19,368,587
Cost of sales	16,149,783	13,954,736
Expenses	5,085,939	4,648,441
Interest expense	834,928	838,272
Depreciation	219,758	203,613
Loss before taxes	$ (2,741,712)	$ (276,475)
Tax credit	(863,429)	(163,500)
Net Loss	$ (1,878,283)	$ (112,975)

* Included in Costs and Expenses, Depreciation and Amortization: $234,338 in 1984 and $219,765 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 613,438	$ 1,147,149
Accts. & notes receiv., net	3,177,353	3,412,650
Recoverable income taxes	864,778	181,081
*Inventories	6,828,131	8,327,585
Prepaid exp. & other assets	157,995	92,576
Misc. receiv.	131,668	185,363
Current Assets	$ 11,773,363	$ 13,346,404
#Fixed assets	1,836,808	1,978,144
Other assets	251,122	234,515
Total Assets	$ 13,861,293	$ 15,559,063

Liabilities

	1984	1983
Notes payable	$ 4,288,333	$ 3,900,000
Long-term debt, curr.	32,500	32,500
Accts. payable	1,329,794	1,440,679
Accruals	333,590	415,298
Curr. Liabilities	$ 5,984,217	$ 5,788,477
Long-term debt	2,347,313	2,373,573
+Common stock	130,745	129,992
Add. paid-in capital	4,531,153	4,520,873
Retained earnings	867,865	2,746,148
Total Liabilities & Shareholders' Equity	$ 13,861,293	$ 15,559,063

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.08 par value.

Statistical Summary

Sales to Inventories	2.86	2.33
Working Capital	$5,789,146	$7,557,927
Current Ratio	1.97	2.31
Shareholders' Equity	$5,529,763	$7,397,013

Robertshaw Controls Company

P.O. Box 26544
1701 Byrd Avenue
Richmond, Virginia 23261
(804) 281-0700

Mailing address:

P.O. Box 26544
Richmond, Virginia 23261

Officers: David P. Reynolds, chairman of the board; Ralph S. Thomas, president & chief executive officer; Dean R. Dennis, exec. v.p.; Joseph A. Howell, Jr., sr. v.p. & general counsel; I.O. Johnson, sr. v.p. & gen. mgr.-New England Instrument Division; Kenneth T. Atherholt, v.p.; Milo J. Bowen, v.p. & gen. mgr.-Milford Division; John P. Carr, v.p.; Ralph L. Coplan, v.p.-director of corp. purchasing & national sales office manager; Martin J. Miller, v.p. & gen. mgr.-New Stanton Division; Donnell H. Fox, v.p. & gen. mgr.-Uni-Line Division; William A. Cashin, Jr., v.p. & gen. mgr.-control systems division; William T. Moon, v.p. & gen. mgr.-Tennessee dvision; George A. Yeaman, v.p. & gen. mgr.-Grayson Controls Division; Jules M. Kabat, v.p. & gen. mgr.-Integrated Systems Division; Kenneth L. LaGrand, v.p. & gen. mgr.-Simicon Division; K.W. Whittington, v.p. & gen. mgr.-international operations; Robert W. Pendergast, v.p.-financial & public relations; Harold N. Robinson, v.p. & controller; Joseph Bandrofcheck, treasurer; Robert E. Sweaney, secretary & general attorney.

Directors: David P. Reynolds, chairman; Dean R. Dennis, Robert L. Hintz, William S. Leonhardt, Ross R. Millhiser, Joseph A. Howell, Jr., Ralph S. Thomas*, Paul E. Reichardt, John E. Blomquist, Frank G. Louthan, Jr., William O. Bourke, R. Bern Crowl, J. Carter Fox, Martin J. Miller, Harold N. Robinson.

* Member of the Executive Committee.

Areas of Work: Engaged in the manufacture of automatic controls and control systems for industry, commercial buildings and the home. Products include controls for regulating and measuring temperature and pressure, for heating and cooling, for appliances, for transportation, for industrial processes and systems and instrumentation for other precise control requirements.

Divisions:

Ellijay Division
Ellijay, Georgia 30540
(404) 635-7951
Components of gas ranges are produced by this division. Products include gas valves, pressure regulators, burners, manifolds and other accessories.

El Paso Division
320 N. Clark Drive
El Paso, Texas 79905
(919) 593-4111
Manufacturer of automatic temperature control devices.

Tennessee Division
2318 Kingston Pike S.W.
Knoxville, Tennessee 37901
(615) 546-0550
Heating and ventilating controls; engine control systems, valves, seals, pressure gauges, metal bellows and bellows assemblies; automobile thermostats, aircraft and missile controls.

Grayson Controls Division
100 W. Victoria Street
Long Beach, California 90805
(213) 663-8301

Controls for appliances and heating equipment.

Integrated Systems Division
1928 Western Avenue
Las Vegas, Nevada 89102
(702) 382-8494

Manufactures and markets electronic room status and control systems for hotels, motels and related structures. Also manufactures fire and security systems for commercial buildings.

Milford Division
155 Hill Street
Milford, Connecticut 06460
(203) 878-1721

Air conditioning and refrigeration controls; solid state motor protection systems, and electronic environmental control systems. Hydraulically-formed and precision welded bellows and bellow assemblies for appliance controls and aircraft engine controls.

New Stanton Division
Youngwood, Pennsylvania 15697
(412) 925-7211

Gas and electric controls for domestic and commercial cooking appliances.

Fallbrook Division
1375 S. Mission Road
Fallbrook, California 92028
(714) 728-6141

Controls for electric home heating systems, including time delay switches, control relays and current sensing relays.

Simicon Division
942 Brooks Avenue
Holland, Michigan 49423
(616) 396-1467

Solid state safety controls for oil furnaces; air-conditioning time delays and power supply transformers.

International Marketing Division
1701 Byrd Avenue
Richmond, Virginia 23261
(804) 282-9561

Markets controls produced by U.S. divisions and foreign subsidiaries.

Uni-Line Division
4190 Temescal Street
P.O. Box 2000
Corona, California 91720
(714) 734-2600

Wholesale distribution of gas, electric, and pneumatic controls and accessories to the plumbing refrigeration, appliance, heating and air-conditioning industries.

New England Instrument Company
Natick, Massachusetts

A leading manufacturer of precision potentiometers and position, temperature and pressure sensors with broad application for the industrial and transportation industries.

Subsidiaries:

Robertshaw International Sales Company
Richmond, Virginia

Robertshaw Controls (Canada) Ltd.
Toronto, Ontario, Canada

Lux Time (Canada) Limited
Oakville, Ontario, Canada

Controles Robertshaw Do Brasil, S.A. (64.3% owned)
Caxias do Sul, Brazil

Robertshaw Orient, Ltd. (74.3% owned)
Tokyo, Japan

Robertshaw Controls (Australia) Pty., Ltd.(69% owned)
Pendle Hill, N.S.W., Australia

Robertshaw Europa N.V.
Amsterdam, The Netherlands

Compagnie Europeenne des Thermostats, S.A. (C.E.T.)
Reims, France

Precision S.A. (affiliate)
Mexico City, Mexico

Transfer Agent(s):

Sovran Bank, N.A.
Richmond, Virginia

Stock Exchange(s): New York

Ticker Symbol: ROF

Number of Employees:

1984	8,167	1981	8,748
1983	8,247	1980	9,566
1982	7,423		

Plant Footage:

1983 ...... 3,000,000 sq ft.

Sales and Earnings

	Net Sales	Net Income
1984	$ 416,094,000	$ 24,005,000
1983	371,074,000	15,728,000
1982	331,717,000	5,527,000
1981	351,565,000	7,901,000
1980	349,030,000	10,182,000

	No. of Com. Shares ‡	Earn. per Share +
1984	5,432,647	$ 4.43
1983	5,391,159	2.93
1982	5,344,353	1.04
1981	5,273,779	1.50
1980	5,263,636	1.74

‡ Adjusted to reflect stock split.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984 (000's)	1983 (000's)
Temperature controls for homes & commercial buildings	$ 196,295	$ 175,956
Controls for home appliances	115,068	115,439
Industrial controls & instrumentation	76,050	70,043
Transportation, consumer & other	84,397	62,679
Adjustments & eliminations	(55,716)	(53,043)
Total	$ 416,094	$ 371,074

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.03	—	—
1983	0.93	—	3-for-2
1982	0.93	—	—
1981	0.93	—	—
1980	0.93	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 137,447,000	$ 25.30
1983	119,390,000	22.15
1982	108,275,000	20.26
1981	110,174,000	20.89
1980	108,260,000	20.57

+ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 416,094,000	$ 371,074,000
Other income	4,626,000	2,462,000
Total Income	$ 420,720,000	$ 373,536,000
Cost of sales	305,631,000	281,370,000
Expenses	69,267,000	58,302,000
Interest expense	2,864,000	3,691,000
Other charges	3,053,000	2,820,000
Income before taxes	$ 39,905,000	$ 27,353,000
Income taxes	15,900,000	11,625,000
Net Income	$ 24,005,000	$ 15,728,000

* Included in Costs and Expenses, Depreciation and Amortization: $8,374,000 in 1984 and $8,139,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 10,557,000	$ 12,095,000
Receiv., net	67,439,000	65,050,000
*Inventories	60,553,000	50,490,000
Prepaid expenses	6,650,000	7,126,000
Current Assets	$ 145,199,000	$ 134,761,000
Investments	13,887,000	13,108,000
#Fixed assets	63,919,000	57,566,000
Intangibles	1,374,000	2,950,000
Total Assets	$ 224,379,000	$ 208,385,000

Liabilities

Long-term debt, curr	$ 3,496,000	$ 3,372,000
Accts. payable	13,171,000	14,426,000
Accruals	34,096,000	29,219,000
Income taxes	2,529,000	6,552,000
Curr. Liabilities	$ 53,292,000	$ 53,569,000
Long-term debt	26,747,000	29,531,000
Deferred inc. taxes	6,893,000	5,895,000
+ Common stock	5,983,000	5,942,000
Add. paid-in capital	16,194,000	15,419,000
Retained earnings	129,469,000	111,049,000
For. curr. trans. adjust.	(5,390,000)	(4,211,000)
Treasury stock	(8,809,000)	(8,809,000)
Total Liabilities & Shareholders' Equity	$ 224,379,000	$ 208,385,000

* At lower of cost (generally LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.59	7.37
%Net Income to Sales	5.77	4.24
%Net Income to Equity	17.46	13.17
Sales to Inventories	6.87	7.35
Working Capital	$ 91,907,000	$ 81,192,000
Current Ratio	2.72	2.52
Shareholders' Equity	$137,447,000	$119,390,000

Robinson-Halpern Company

One Apollo Road
Plymouth Meeting, Pennsylvania 19462
(215) 825-9200

Officers: Ivan E. Robinson, chairman of the board, president & treasurer; Ruth M. Currier, secretary.

Directors: Ivan E. Robinson, chairman; Walter Friedrich, William F. Hamilton, Myra Robinson.

Areas of Work: Design, manufacture and sale of electronic instrumentation for measurement and control of pressure, temperature and displacement. The primary products are transducers.

Transfer Agent(s):

Provident National Bank
Philadelphia, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: RHAL (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 3,205,844	$ 21,896
1983	2,972,409	150,526

1982	2,471,959	29,667
1981	2,394,179	42,601
1980	2,036,614	30,375

	No. of Com. Shares‡	Earn. per Share‡
1984	314,840	$ 0.07
1983	315,824	0.48
1982	317,774	0.09
1981	318,092	0.14
1980	318,092	0.10

(Loss)
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share‡
1984	$ 1,306,771	$ 4.15
1983	1,286,223	4.07
1982	1,139,197	3.58
1981	1,111,249	3.49
1980	1,068,648	3.36

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Income Account *

Year ended Apr. 30	1984	1983
Net sales	$ 3,205,844	$ 2,972,409
Cost of sales	2,033,817	1,720,247
Expenses	1,090,681	1,014,019
Interest expense	65,177	51,794
Income before taxes	$ 16,1[illegible]	$ 186,349
Income taxes (credit)	(5,727)	35,823
Net Income	$ 21,896	$ 150,526

* Included in Costs and Expenses, Depreciation and Amortization: $72,325 in 1984 and $69,808 in 1983.

Assets

As of Apr. 30	1984	1983
Cash	$ 122,254	$ 146,838
Accts. receiv., net	521,248	496,303
*Inventories	716,205	537,531
Prepaid expenses	133,977	71,517
Current Assets	$ 1,493,684	$ 1,252,189
#Fixed assets	788,789	620,007
Other assets	5,041	4,290
Defer. charges & intangibles	336,126	310,502
Total Assets	$ 2,623,640	$ 2,186,988

Liabilities

Notes payable	$ 50,000	$ —
Long-term debt, curr.	178,949	104,181
Accts. payable	163,091	188,881
Accrued liabilities	222,433	214,304
Income taxes	5,300	14,979
Curr. Liabilities	$ 619,773	$ 522,345
Long-term debt	692,896	378,420
Def. inc. taxes pay	4,200	—
+ Common stock	41,580	38,720
Add. paid-in capital	1,045,158	947,935
Retained earnings	346,012	424,217
Treasury stock	(125,979)	(124,649)
Total Liabilities & Shareholders' Equity	$ 2,623,640	$ 2,186,988

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value; $0.10 stated value.

Statistical Summary

%Income bef. Taxes to Sales	0.50	6.27
%Net Income to Sales	0.68	5.06
%Net Income to Equity	1.68	11.70
Sales to Inventories	4.48	5.53
Working Capital	$ 873,911	$ 729,844
Current Ratio	2.41	2.40
Shareholders' Equity	$1,306,771	$1,286,223

ROCKCOR Inc.

11441 Willows Road
Redmond, Washington 98052-1012
(206) 885-5000

Officers: George S. Sutherland, chairman & chief executive officer; Bernard F. Beckelman, president & chief operating officer; Robert G. Sanderson, vice president-finance & treasurer; Kevin P. Teismann, v.p., secretary & general counsel.

Directors: George S. Sutherland, chairman; Bernard F. Beckelman, Marvyn Carton, Wallace Birnbaum, Curtis P. Lindley, Joan Claybrook, Richard W. Pershing, James G. McCurdy, Hugo E. Oswald, Jr., E. Hornsby Wasson.

Areas of Work: Develops, designs, manufactures, and sells monopropellant hydrazine rocket engines, energy systems (principally high voltage generators and particle accelerators), data collection equipment (principally fault reporting and monitoring equipment), explosive systems for the stimulation of gas and oil wells, heating systems using geothermal and cogeneration systems, power control systems for aircraft, power conversion for transport systems.

Divisions and Subsidiaries:

Rocket Research Company
11441 Willows Road
Redmond, Washington 98052
(206) 885-5000

Rocket engines and propulsion systems; gas generators, automotive products; chemical technology; energy R & D, manufacturing/test services.

Physics International Company
2700 Merced Street
San Leandro, California 94577
(415) 357-4610

Engaged in the production of pulsed power systems, piezoelectric actuators, advanced computer codes, and nuclear weapons effects simulators. Also engaged in shock dynamics research, fusion power research, and nuclear weapons effects testing and analysis.

Larse Corporation
4600 Patrick Henry Drive
Santa Clara, California 95050
(408) 988-6600

Engaged in the design and production of digital communication and status monitoring equipment, computer-based fault reporting and control systems for the telecommunications industry, and fire and burglar alarm systems.

Petroleum Technology Corporation
11441 Willows Road
Redmond, Washington 98052
(206) 885-5000

Engaged in the production of oil and gas well explosive simulation systems and underground explosive fracturing for resource extraction.

Pacific Electro Dynamics, Inc.
11465 Willows Road
Redmond, Washington 98052
(206) 881-1700

Produces different electronic services for power supply audio systems, and ground support equipment in commercial and military aircraft.

PISCES International, BV
Genbouw "de Molenwiek"
Groningenweg 6
2803 PV Gouda

Tactical Systems Group
901 Seville Road
Wadsworth, Ohio 44281
(216) 379-7232

Ravenna Arsenal, Inc.
Ravenna, Ohio 44266
(216) 358-7111

Manages and maintains three U.S. Army's 21,000 acre arsenal in Ravenna, Ohio.

Acquisition(s):

Martin & Stern Group
2615 Pacific Coast Highway
Hermosa Beach, California 90254
(213) 318-3561

Develops state-of-the-art software and microprocessor technology for command, control, communications and intelligence systems for the military.

Transfer Agent(s):

Seattle-First National Bank
Seattle, Washington

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ROCK (NASDAQ)

Number of Employees:

1984	N.A.	1981	1,000
1983	1,300	1980	1,100
1982	1,035		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 90,994,000	$ 3,590,000
1983	84,109,000	3,379,000
1982	67,843,000	2,874,000
1981	61,564,000	2,525,000
1980	53,759,000	3,253,000

	No. of Com. Shares #	Earn. per Share ‡#
1984	4,434,000	$ 0.81
1983	4,445,000	0.76
1982	4,315,000	0.67
1981	4,290,000	0.59
1980	4,121,000	0.79

‡ Including extraordinary gain of $1,009,000 ($0.25 per share) in 1980.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business

	1984	1983
Aerospace & defense	$ 73,794,000	$ 67,968,000
Telecommunications	7,044,000	6,988,000
Explosive systems	5,615,000	2,573,000
Other	4,541,000	6,580,000
Total	$ 90,994,000	$ 84,109,000

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 39,317,000	$ 8.87
1983	35,456,000	7.98
1982	31,678,000	7.34
1981	28,755,000	6.70
1980	24,562,000	5.96

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended Oct. 31	1984	1983
Revenues	$ 90,994,000	$ 84,109,000
Cost of sales & expenses	83,529,000	77,529,000
Interest expense	1,443,000	1,330,000
Income before taxes	$ 6,022,000	$ 5,250,000
Income taxes	2,432,000	1,871,000
Net Income	$ 3,590,000	$ 3,379,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,018,000 in 1984 and $2,374,000 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 4,771,000	$ 3,717,000
Accts. receiv., net	29,142,000	26,488,000
*Inventories	10,888,000	9,407,000
Prepaid exp. & deposits	543,000	653,000
Current Assets	$ 45,344,000	$ 40,265,000
#Fixed assets	20,401,000	20,293,000
Invest. in oil prop.	2,939,000	2,952,000
Intangibles	4:572,000	4,170,000
Other assets	3,038,000	2,305,000
Total Assets	$ 76,294,000	$ 69,985,000

Liabilities

	1984	1983
Accts. payable	$ 8,050,000	$ 8,396,000
Long-term debt, curr.	637,000	523,000
Accrued payroll & other liabilities	6,875,000	6,069,000
Deferred inc. taxes	2,640,000	2,605,000
Curr. Liabilities	$ 18,202,000	$ 17,593,000
Long-term debt	15,161,000	15,209,000
Deferred income taxes	2,509,000	1,059,000
Excess of net assets over price of subs.	183,000	213,000
Minority interest	922,000	455,000
+ Common stock	21,606,000	21,335,000
Retained earnings	17,745,000	14,155,000
Treasury stock	(34,000)	(34,000)
Total Liabilities & Shareholders' Equity	$ 76,294,000	$ 69,985,000

‡ Restated.
* At lower of average cost or estimated realizable value.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983
%Income before Taxes to Sales	6.62	6.24
%Net Income to Sales	3.95	4.02
%Net Income to Equity	9.13	9.53
Sales to Inventories	8.36	8.94
Working Capital	$27,142,000	$22,672,000
Current Ratio	2.49	2.29
Shareholders' Equity	$39,317,000	$35,456,000

Rockwell International Corporation

600 Grant Street
Pittsburgh, Pennsylvania 15219
(412) 565-2000

Officers: Robert Anderson, chairman of the board & chief executive officer; Donald R. Beall, president & chief operating officer; Martin D. Walker, exec. v.p.; Kent M. Black, v.p. & president-Commercial Electronics; Robert L. Cattoi, sr. v.p.-research and engineering; Lee H. Cramer, treasurer; Robert A. dePalma, sr. v.p.-finance & chief financial officer; J.A. Earley, v.p.-corporate development; Richard W. Foxen, sr. v.p.-international & strategic management; Charles H. Harff, sr. v.p., gen. counsel & secretary; Bastian Hello, sr. v.p.-government relations; Sam F. Iacobellis, v.p. and president-North American Aircraft; George W. Jeffs, v.p. & president North American Space; Lawrence J. Komatz, controller; Edward A. Loeser, sr. v.p.-operations; James A. McDivitt, v.p. and executive v.p.-Defense Electronics; Carl J. Oles, v.p.-personnel; Samuel Petok, sr. v.p.-communications; Ralph E. Reins, v.p. & president-On-Highway Products; Arthur P. Ronan, v.p. & president -General Components; John J. Roscia, sr. v.p., asst. to chairman & chief executive officer; Charles C. Stoops, Jr., general tax counsel; Donald J. Yockey, v.p. & president-defense electronics; E.N. Yost, general auditor.

Directors: Robert Anderson, chairman; Donald R. Beall, Robert A. dePalma, Robin Chandler Duke, Fred L. Hartley, J. Clayburn LaForce, Jr., Frederick G. Larkin, Jr., Henry T. Mudd, Bruce M. Rockwell, William A. Seifert, Jr., Robert E. Seymour, Ross D. Siragusa, Jr., William S. Sneath, Joseph F. Toot, Jr., Martin D. Walker, Harrington Drake.

Areas of Work: The Company is a multi-industry corporation engaged in research and development, and the manufacture and sale of many products for commercial and government markets. In Fiscal 1983, 64% of Rockwell's total sales were under U.S. government contracts and subcontracts. The Company is organized into four business segments: Aerospace, Electronics, Automotive and General Industries.

Business Segments and Subsidiaries:

Aerospace

The principal space activity is the Space shuttle program for NASA. The company has developed and is producing the shuttle orbiter and, through its Rocketdyne Division, the orbiter main engines. It also assists NASA in the integration of the overall space transportation system. The Rocketdyne Division works under a United States Air force contract for the engineering development of the Peacekeeper missile; develops and manufactures large liquid rocket engines for space and military applications and small rocket engines for attidute and reentry control.

The Company also engages in various research and development activities, such as those related to advanced space-based surveillance systems and directed energy weapons, and technology development and systems analysis efforts, such as those relating to advanced military aircraft.

North American Space Operations
2230 East Imperial Highway
El Segundo, California 90245
(213) 647-5000

North American Aircraft Operations
100 N. Sepulveda Boulevard
El Segundo, California 90245
(213) 647-1000

Electronics

This division manufactures high technology electronic equipment and systems for military navigation, command, control, communications and intelligence, missile systems and other special applications for the United States and foreign governments; also manufactures a broad spectrum of radio transceivers for various military applications that range from very low frequency to extremely high frequency. These products are combined with other ancillary items to form integrated command, control, communications and intelligence systems.

The division is the principal supplier of the inertial navigation systems for the Navy's ballistic missile and attack submarine fleets, supplies component and services related to the guidance and control systems of the Minuteman intercontinental ballistic missile fleet and works under contracts for both ground and airborne high frequency communication equipment for the modernization programs for the United States and NATO forces.

In commercial electronics, the Company supplies avionics, telecommunications and semiconductor products and systems to commercial and government customers worldwide. Electronics supplies communications, navigation, flight control, and other avionics systems to the air transport, general aviation and government markets. Products include telecommunications, transmission and switching systems and telephone products which are supplied to a broad range of customers in the United States and foreign countries.

General Industries

The Graphic Systems Division manufactures and sells high-speed printing presses and related equipment used principally for printing newspapers. Products include the Metroliner press designed for large metropolitan daily newspapers and the HV, Urbanite and community presses designed for medium size daily and weekly newspapers and commercial printers. The Divison also manufactures and sells automatic mailroom equipment and purchases for resale a line of commercial sheetfed presses and related equipment.

The Company manufactures, purchases for resale, and sells Industrial sewing machines to the textile industry. The Power Tool Division manufactures stationary woodworking machinery and pneumatic and specialty tools for the general industrial and construction markets.

The flow control and the municipal & utility division manufacture and sell control and measurement equipment for gas, water and other fluids in the energy, utility and construction markets and a broad line of valves used for a variety of applications in nuclear and fossil systems for the energy and power generation markets. Other products include valve lubricants, pipe clamps and couplings. Primary customers for these products are electric, gas and water utilities, oil companies, chemical companies, municipalities and building contractors, as well as chemical companies.

The Energy Systems Group participates in the development of the liquid metal fast breeder reactor, the production of safety equipment for conventional light water nuclear reactors and the decontamination and decommissioning of nuclear facilities. The Group also operates a liquid metal development center for the fast breeder effort of the Department of Energy (DOE) and is active in the development of other alternative energy sources. The Group provides chemical processing, waste management and site support services at the DOE's Hanford Project near Richland, Washington and operates the DOE's Rocky Flats Plant near Denver, Colorado, which is engaged in nuclear weapons components manufacturing, plutonium recovery and waste treatment. The Group is continuing development work under DOE contracts in the coal gasification and liquefaction processes. The Group also supplies commercial flue gas cleaning systems and environmental monitoring systems to utilities and industry.

General Industries Operations
400 North Lexington Avenue
Pittsburgh,Pennsylvania 15208
(414) 247-3000

Rockwell do Brasil Industrial e Commercio Ltda.
Limeira, Sao Paulo, Brazil

Rockwell-International of Canada Ltd.
Barrie & Guelph Ontaio
Canada

Rockwell-Rimoldi France S.A.
Boulogne, France

Rockwell Systems Graphiques, S.A.
Paris, France

Rockwell Valves, S.A.
Unieux, France

Rockwell Graphic Systems, Inc.
Obertshausen, West Germany

Rockwell-Rimoldi GmbH
Reutlingen, West Germany

Rockwell-Rimoldi S.p.A.
Olcella, Busto Garolfo, Italy

Rockwell-Rimoldi Espanola S.A.
Barcelona, Spain

Rockwell-Rimoldi (Great Britain) Limited
Darby, Leicestershire, U.K.

Rockwell Graphic Systems Limited
Preston, U.K.

Automotive

Automotive Businesses' principal activity is the manufacture and sale of various proprietary components for heavy-duty vehicles used on and off the highway. Automotive designs and manufactures a broad line of axles for heavy-duty applications for on-and off-highway vehicles, including single and tandem drive axles, driving and non-driving front axles, trailer axles, rigid and steering planetary axles and driving steering axles. The businesses design and manufacture a complete line of heavy-duty brakes and brake assemblies and components for use in the transportation, construction, mining, agriculture, forestry and industrial fields. The businesses also manufacture and sell special drives and transmissions, universal joints and drivelines, gear boxes, springs and plastic hood, door and fender assemblies for these vehicles.

The Automotive businesses also manufacture and sell springs and plastic components and accessories for light trucks and passenger cars, and steel and case aluminum wheels, wheel covers, sun roofs, window regulators, door latches and door locking systems for passenger cars. In addition, the businesses manufacture and sell large steel castings, including those used in military cast armor programs and diesel locomotives.

The Company's automotive products are nearly all sold directly to manufacturers of original equipment, some of which are also competitors in that they produce for their own use many of the products manufactured by the Automotive Businesses.

Automotive Businesses
2135 West Maple Road
Troy, Michigan 48084
(313) 435-1000

Rockwell International Corporation

Rockwell Standard of Australia Ltd.
Melbourne, Australia

Wilmot Breeden (Australia) Pty. Ltd.
Preston, Australia

Rockwell do Brasil Industria e Commercio Ltda.
Limeira, Brazil

Rockwell International of Canada, Ltd.
Bracebridge, Chatham, Gananoque, Lacolle, Milton, Mississauga, Tilbury, Canada

Compagnie Industrielle de Mecanismes S.A.
Levallois, Perret Cedex, France

Rockwell International S.A.
Rungis Cedex, France

Rockwell Golde GmbH
Frankfurt, West Germany

Rockwell Bremsen
Geschaftsbereich der Rockwell-Gold GmbH
Alyeneau/Unterfranken
West Germany

Rockwell Golde Italiana SpA
Como, Italy

Rockwell International Manufacturing Pte. Ltd.
Singapore

Rockwell-Maudslay Limited
Alcester, U.K.

Wilmot Breeden Limited
Birmingham, U.K.

Rockwell Thompson Limited
Wolverhampton, U.K.

Rockwell CVC S.p.A.
San Mauro Torinese, Italy

Rockwell CVC S.p.A.
Cameri, Italy

Transfer Agent(s):

Mellon Bank, N.A. (common stock; $4.75 convertible preferred, Series A; $1.35 convertible preferred, Series B)
P.O. Box 444
Pittsburgh, Pennsylvania 15230

67 Broad Street
New York, New York 10004

The First National Bank of Boston
(common stock & $4.75 convertible preferred, Series A)
Boston, Massachusetts 02102

National Bank of Detroit
Detroit, Michigan 48232

First Interstate Bank of California
Los Angeles, California 90051

The Royal Trust Company
Toronto, Ontario, Canada M5W 1P9

The First National Bank of Chicago
(common stock; $1.35 convertible preferred, Series B)
Chicago, Illinois 60670

Stock Exchange(s): New York, Boston, Midwest, Pacific, Philadelphia, Toronto, Basel, Geneva, Lausanne, Zurich, Frankfurt, London.

Ticker Symbol: ROK

Number of Employees:

1984	106,000	1981	103,455
1983	102,707	1980	108,199
1982	100,271		

Plant Footage:

1984	44,500,000 sq.ft.	1981	45,800,000
1983	45,200,000	1980	49,500,000
1982	45,900,000		

Sales and Earnings

	Net Sales † (000's)	Net Income (000's)
1984	$ 9,322,100	$ 496,500
1983	8,097,900	389,100
1982	7,395,400	331,600
1981	7,039,700	318,800
1980	6,906,500	280,200

	No. of Com. Shares #	Earn. per Share #
1984	152,300,000	$ 3.25
1983	153,800,000	2.52
1982	152,500,000	2.16
1981	151,200,000	2.10
1980	147,500,000	1.88

† Of continuing operations only.
# Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Automotive operations	$ 1,758,000	$ 1,204,000
Electronics operations: Guidance & control, avionics and telecommunications systems & equipment, devices and calculator products	2,387,000	2,196,000
Aerospace operations	4,204,000	3,687,000
General industries	973,000	1,011,000
Total	$ 9,322,000	$ 8,098,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.94	—	—
1983	0.83	—	2-for-1
1982	0.78	—	—
1981	0.72	—	—
1980	0.675	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity ‡ (000's)	Equity Per Share †
1984	$ 2,494,700	$ 16.78
1983	2,337,600	15.13
1982	2,060,000	13.47
1981	1,870,200	12.31
1980	1,692,300	11.28

‡ After allowing for Series A and Series B preferred stock at total liquidation value.
† Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 9,322,100	$ 8,097,900
Other income	144,000	139,300
Total Income	$ 9,466,100	$ 8,237,200
Cost of sales	7,562,400	6,581,100
Expenses	961,400	938,800
Interest expense	42,800	27,200
Income before taxes	$ 899,500	$ 690,100
Income taxes	403,000	301,000
Net Income	$ 496,500	$ 389,100

* Included in Costs and Expenses, Depreciation: $301,500,000 in 1984 and $232,700,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 1,148,400	$ 1,033,300
Accts. & notes receiv., net	1,519,900	1,336,700
*Inventories	896,100	813,800
Prepaid expenses	48,400	40,500
Current Assets	$ 3,612,800	$ 3,224,300
Investments	140,600	163,600
#Fixed assets	1,990,300	1,716,400
Other assets	125,800	126,800
Total Assets	$ 5,869,500	$ 5,231,100

Liabilities
(000's)

	1984	1983
Short-term borrowings	$ 53,000	$ 24,800
Accts. payable	809,800	597,000
Adv. pay. from cust.	164,100	150,900
Accrued payroll	271,700	268,200
Accrued retire. plan costs	89,900	132,900
Income taxes	92,500	36,500
Deferred inc. taxes	932,10	866,400
Other	426,400	355,800
Curr. Liabilities	$ 2,839,500	$ 2,432,500
Long-term debt	218,600	197,100
Other liabilities	289,800	234,200
+ Preferred stock	2,800	3,000
+ + Common stock	155,300	154,500
Add. paid-in capital	219,500	208,000
For. curr. trans.	(120,900)	(89,900)
Retained earnings	2,440,600	2,091,700
Treasury stock	(175,700)	—
Total Liabilities & Shareholders' Equity	$ 5,869,500	$ 5,231,100

* At lower of cost (average, FIFO or LIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value. Series A, $4.75 cumulative; series B, $1.35 cumulative.
+ + $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.65	8.52
%Net Income to Sales	5.33	4.80
%Net Income to Equity	19.69	16.44
Sales to Inventories	10.40	9.95
Working Capital	$ 773,300,000	$ 791,800,000
Current Ratio	1.27	1.33
Shareholders' Equity	$2,521,600,000	$2,367,300,000

Rogers Corporation

One Technology Drive
Rogers, Connecticut 06263
(203) 774-9605

Officers: Norman L. Greenman, president & chief exec. officer; Harry H. Birkenruth, sr. vice president-finance; Richard C. Berry, v.p.-technology; Robert L. Smith, v.p.-personnel; Paul L. Anderson, v.p.-sales; A. David Chesmer, v.p.-polymer products group; David P. Bell, treasurer; Howard A. Raphaelson, controller; Richard N. Bail, clerk.

Directors: Harry H. Birkenruth, Richard N. Bail, Wallace Barnes, Carl N. Hansen, Norman L. Greenman, Charles A. Myers, Charles F. Spiro, Brage Golding, Leonid V. Azaroff.

Divisions:

Molding Materials Division
Mill and Oakland Streets
Manchester, Connecticut 06040
(203) 646-5500
(203) 643-5162-63

Manufactures fiber-reinforced thermosetting molding materials including phenolic and diallyl phthalate engineering plastics.

Poron/Composites Division-Composites Plant
One Technology Drive
Rogers, Connecticut 06263
(203) 774-9605
Manufactures RT/duroid® and R/flex.

Poron/Composites Division-Poron Plant
P.O. Box 158
E. Woodstock, Connecticut 06244
(203) 928-7931
Manufactures Poron® PVC and polyurethane materials.

Polymer Products Group-Willimantic Division
Route 32
Willimantic, Connecticut 06226
(203) 423-6323
Manufactures Nitrophyl® carburetor and fuel tank floats, Endur® solid elastomer and Endur®-C Cellular urethene components and molded shapes.

Folymer Products Group - Atlanta Division
5259 Minola Drive
Lithonia, Georgia 30058
(404) 981-9830
Envex® polyimide components, RT/duroid® reinforced PTFE components and mechanically generated circuits.

Bus Products Division - Interconnection Products Group
5750 East McKellips Road
Mesa, Arizona 85205
(602) 830-3370
Manufactures Mektron® laminar power distribution bus bars, Mini/Bus® circuit board bus bars, Quik/Bus® conductors, and Strip/Bus bus strips.

Q/PAC Division - Interconnection Products Group
(602) 830-3370
Manufactures Q/PAC® high capacitance power distribution components and Micro/Q decoupling capacitors.

Flexible Circuits Division - Interconnection Products Group
Dobson and Williams Field Road
Chandler, Arizona 85224
(602) 963-4684
Manufactures flexible circuits.

Circuit Materials Division - Interconnection Products Group
Dobson and Williamsfield Road
Chandler, Arizona 85224
(602) 963-4584
Manufactures R/flex materials for flexible circuit substrates and integrated circuit bonding tape carrier materials.

Microwave Materials Division
Microwave Products Group
Chandler, Arizona 85224
(602) 963-4584
Manufactures RT/duroid laminate materials for microstrip circuits, stripline circuits, and microwave antennas.

Flex-Key Division - Interconnection Products Group
Dobson and Williamsfield Road
Chandler, Arizona 85224
(602) 963-4584
Manufactures membrane and full travel keyboards.

Soladyne Division of Microwave Products Group
San Diego, California
Manufactures microwave stripline and microstrip circuits and bonded assemblies.

Subsidiaries:

Rogers Sales Corporation (DISC)
Rogers, Connecticut 06263
(203) 774-9605

Rogers Mexicana S.A. de C.V.
Agua Prieta, Sonora, Mexico

Mektron, N.V.
188 Afrikalaan
Ghent, Belgium

Mektron GmbH
Weiterstadt, West Germany

Mektron France S.A.
Fresnes and Chateau Gontier, France

Mektron Circuit Systems Ltd.
Leatherhead, United Kingdom

Transfer Agent(s):
First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): American, Pacific

Ticker Symbol: ROG

Number of Employees:

1984	2,701	1981	2,473
1983	2,291	1980	2,520
1982	2,357		

Plant Footage:

1984	1,121,000 sq. ft.	1981	1,004,000
1983	1,051,000	1980	996,000
1982	1,048,000		

Sales and Earnings

	Net Sales #	Net Income
1984	$ 137,088,000	$ 6,368,000
1983	109,943,000	4,675,000
1982	101,713,000	1,052,000
1981	102,982,000	2,629,000
1980	88,093,000	207,000

	No. of Com. Shares	Earn. per Share †
1984	2,923,728	$ 2.15
1983	2,908,971	1.58
1982	2,898,827	0.36
1981	2,877,002	0.92
1980	2,829,950	0.07

Of continuing operations only.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.12	—	
1983	0.12	—	—
1982	0.12	—	—
1981	0.12	—	—
1980	0.12	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 42,278,000	$ 14.45
1983	36,347,000	12.49
1982	32,451,000	11.19
1981	32,127,000	11.17
1980	30,495,000	10.78

Income Account *

Year ended	12/30/84	1/1/84
Net sales	$ 137,088,000	$ 109,943,000
Cost of sales	101,321,000	82,444,000
Expenses	26,523,000	21,293,000
Other income	(1,806,000)	(1,596,000)
Interest expense	1,975,000	1,853,000
Gain on sale of Amicon stock	(196,000)	(2,908,000)
Business restructuring costs	—	2,780,000
Income before taxes	$ 9,271,000	$ 6,077,000
Income taxes	2,903,000	1,402,000
Net Income	$ 6,368,000	$ 4,675,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,649,000 in 1984 and $3,984,000 in 1983.

Assets

As of	12/30/84	1/1/84
Cash & short-term invest.	$ 2,263,000	$ 2,264,000
Accts. reciev., net	20,780,000	18,360,000
*Inventories	17,974,000	16,520,000
Refund inc. taxes	8,000	257,000
Prepayments	998,000	805,000
Current Assets	$ 42,023,000	$ 38,206,000
#Fixed assets	42,923,000	37,045,000
Unexpended bond proceeds	4,344,000	1,603,000
Other assets	1,583,000	1,516,000
Total Assets	$ 90,873,000	$ 78,370,000

Liabilities

Notes payable	$ 933,000	$ 541,000
Long-term debt, curr.	1,415,000	897,000
Accts. payable	9,360,000	8,679,000
Accruals	1,165,000	1,514,000
Accrued payroll	6,719,000	5,489,000
Accrued interest	632,000	546,000
Income taxes	248,000	502,000
Other taxes	1,598,000	1,270,000
Curr. Liabilities	$ 22,070,000	$ 19,438,000
Long-term debt	21,184,000	18,353,000
Deferred inc. taxes	5,341,000	4,232,000
+ Common stock	2,926,000	2,911,000
Add. paid-in capital	16,910,000	16,621,000
Retained earnings	25,110,000	19,093,000
Equity trans. adjust.	(2,668,000)	(2,192,000)
Treasury stock	—	(86,000)
Total Liabilities & Shareholders' Equity	$ 90,873,000	$ 78,370,000

* At lower of cost (standard cost which approx. average actual cost) or market. Materials divisions are valued at lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	6.76	5.53
% Net Income to Sales	4.65	4.25
% Net Income to Equity	7.01	12.86
Sales to Inventories	7.63	6.66
Working Capital	$19,953,000	$18,768,000
Current Ratio	1.90	1.97
Shareholders' Equity	$90,873,000	$36,347,000

RTE Corporation

235 North Executive Drive
Brookfield, Wisconsin 53005
(414) 786-2559

Officers: Loren D. Barre, chairman & chief executive officer; O. Lee Henry, president & chief operating officer; Al J. Lane, group v.p.-transformers; Earl F. Sherman, group v.p.-electronics; Gerald R. Dyer, v.p.-components; Donald A. Fancher, v.p.-distribution transformers; Frederick R. Gloeckner, v.p.-marketing; Michael W. Gregg, v.p.-finance, chief financial officer, & secretary-treasurer; Harold C. Stone, v.p.-employee relations; G.S. Wooldridge, v.p.-sales; Raymond E. Fritz, asst. secretary; Douglas W. Haag, asst. treasurer.

Directors: Loren D. Barre*, O. Lee Henry*, Edwin A. Link, John F. McKeon*, Robert D. Musgjerd, Erwin E. Nemmers, Byron O. Pond, Donald E. Ramlow*, Vinson R. Simpson.

* Member of the Executive Committee.

Areas of Work: The company is a manufacturer of distribution transformers and related equipment for the electric utility industry. Products include capacitors and power supplies which are sold to manufacturers of consumer appliances, lighting products, telecommunications equipment, computers, word processors, electronics instrumentation and robotics. The company operates in three groups: The Transformer Group produces transformers, switchgear and insulating fluids which are sold to the utility, industrial, transformer and switchgear, and international markets; The Electronics Group's products include power supplies, capacitors, power line filters, shaded pole motors and cooling fans. Markets include electronics manufacturers, consumer appliance manufacturers, industrial

RTE Corporation

and international; The Components Group produces high voltage connectors, transformer components, fuses, surge arresters, fault indicators, load management and utility control systems. These are sold to utility, industrial, transformer manufacturer and international markets.

Divisions and Subsidiaries:

RTE Transformer Group

Distribution Transformer Division
Produces single phase pole and padmount transformers as well as padmount switchgear.

Small Power Division
Produces three phase padmount distribution and small power transformers. These transformers are sold to electric utilities, industrial firms and electrical contractors.

RTE Fluids Division
Manufactures and markets biodegradable and high-firepoint electrical insulating fluids used in transformers switchgear and circuit breakers.

RTE Delta
Stockton, California
Manufactures pump panels, motor controls and engine generator control systems.

CARTE Electric, Ltd.
Winnipeg, Manitoba, Canada
Manufactures distribution and small power transformers.

RTE Electronics Group

RTE Aerovox
New Bedford, Massachusetts
Manufactures a variety of AC capacitors for industrial, commercial, consumer and research applications.

RTE Deltec
San Diego, California
Manufacture line conditioners and uninterruptible power systems, power regulators and isolation transformers.

RTE Power/Mate
Hackensack, New Jersey
Produces a broad line of power supplies serving the electronics field. These are used in computers, work processors, electronic instrumentation, telecommunications, robotics and medical equipment.

RTE Components Group

RTE Components Division
Produces a variety of high voltage connectors, terminators, transformer components and fuses. These are sold to utilities, original equipment manufacturers and industrial customers worldwide.

RTE Far East
Taipei, Taiwan
Manufactures high voltage electrical components for the Far East market.

ARTEMA (50% owned)
Vrigne-aux-Bois, France
Manufactures electrical components for sale to the European Economic Community and North Africa.

Transfer Agent(s):

First Wisconsin Trust Company
777 East Wisconsin Avenue
Milwaukee, Wisconsin 53202

Stock Exchange(s): New York

Ticker Symbol: RTE

Number of Employees:

1984	3,550	1981	2,727
1983	3,108	1980	2,529
1982	2,508		

Sales and Earnings

	Net Sales	Net Income
1984	$ 350,373,000	$ 13,020,000
1983	269,105,000	11,850,000
1982	224,941,000	5,364,000
1981	242,089,000	6,535,000
1980	207,474,000	4,267,000

	No. of Com. Shares #	Earn. per Share #
1984	7,453,000	$ 1.75
1983	7,109,000	1.67
1982	5,842,000	0.92
1981	5,785,000	1.13
1980	5,731,000	0.74

# Based on the weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.515	—	—
1983	0.50	—	—
1982	0.425	—	—
1981	0.40	—	—
1980	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 90,462,000	$ 12.00
1983	80,049,000	10.79
1982	53,469,000	9.11
1981	50,708,000	8.71
1980	45,225,000	7.85

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Revenues:		
Net sales	$ 350,373	$ 269,105
Gain on sale of invest.	—	6,304
Total revenues	$ 350,373	$ 275,409
Cost of sales	253,779	194,493
Expenses	67,137	53,998
Interest expense	4,794	4,851
Income before taxes	$ 24,663	$ 22,067
Income taxes	11,600	9,450
Eq. in loss of affil.	43	767
Net Income	$ 13,020	$ 11,850

* Included in Costs and Expenses, Depreciation: $6,085,000 in 1984 and $5,361,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash & temp. invest.	$ 2,772	$ 10,464
Accts. receiv.,	49,097	42,236
*Inventories	50,790	40,399
Prepaid expenses	3,862	3,253
Current Assets	$ 106,521	$ 96,352
Other assets	4,070	3,960
#Fixed assets	55,094	49,527
Intangibles	1,232	1,088
Total Assets	$ 166,917	$ 150,927

Liabilities
(000's)

Notes payable	$ —	$ 571
Long-term debt, curr.	3,052	3,903
Accts. payable	16,556	14,430
Compensation & rel. benefits	12,141	10,060
Other accruals	5,080	4,524
Dividends payable	1,056	927
Income taxes	1,832	1,304
Curr. Liabilities	$ 39,717	$ 35,719
Long-term debt	29,958	29,184
Deferred inc. taxes	6,780	5,975
+ Common stock	7,539	7,416
Add. paid-in capital	21,652	20,334
Retained earnings	62,319	53,143
Cum. trans. adjust.	(1,048)	(844)
Total Liabilities & Shareholders' Equity	$ 166,917	$ 150,927

* At lower of cost or market. Domestic at LIFO; foreign at FIFO.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.04	8.20
%Net Income to Sales	3.72	4.40
%Net Income to Equity	14.39	14.80
Sales to Inventories	6.90	6.66
Working Capital	$66,804,000	$60,633,000
Current Ratio	2.68	2.70
Shareholders' Equity	$90,462,000	$80,049,000

Sage Laboratories, Inc.

3 Huron Drive
East Natick Industrial Park
Natick, Massachusetts 01760
(617) 653-0844

Officers: Theodore S. Saad, president & chairman of the board; Carl A. Marguerite, exec. v.p. & treasurer; Anthony Cieri, v.p.-sales; Harry Chappell, v.p.-engineering; Robert P. Moncreiff, clerk.

Directors: Theodore S. Saad, Robert Elliott, R. Willis Leith, Jr., Carl A. Marguerite, Edward M. Scheu, Jr., John E. Miller.

Areas of Work: Designs, develops and manufactures specialized components (both active and passive) and equipment used in the transmission, reception, and modification of microwave energy. Such components include regular and miniature mixers, filters, hybrids, couplers, attenuators and terminations.

Divisions:

Components Division
3 Huron Drive
Natick, Massachusetts 07160
(617) 653-0844

Transfer Agent(s):

State Street Bank & Trust Co.
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SLAB (NASDAQ)

Number of Employees:

1984	38	1981	39
1983	38	1980	39
1982	40		

Plant Footage:

1984	13,000 sq. ft.	1981	13,000
1983	13,000	1980	13,000
1982	13,000		

Sales and Earnings

	Net Sales ‡	Net Income #
1984	$ 4,175,321	$ 606,958
1983	3,816,453	538,834
1982	3,813,342	562,805
1981	3,107,948	405,494
1980	2,488,783	394,576

	No. of Com. Shares	Earn. per Share + #
1984	455,021	$ 1.33
1983	446,021	1.18
1982	435,565	1.26
1981	435,565	0.92
1980	426,565	0.91

‡ Of continuing operations only, includes contract revenues.
# Including extraordinary credits of $14,000 ($0.03 per share) in 1981 and $162,000 ($0.37 per share) in 1980.
+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,235,478	$ 7.11
1983	2,809,166	6.30
1982	2,323,733	5.33
1981	1,804,484	4.14
1980	1,389,990	3.26

Income Account *

Year ended June 30	1984	1983
Net sales & contract revenues	$ 4,175,321	$ 3,816,453
Cost of sales	2,150,970	2,003,404
Expenses	1,145,520	987,000
Oper. profit	$ 878,831	$ 826,049
Interest income	(159,760)	(165,149)
Dividend income	(44,236)	—
Interest expense	15,869	23,364
Income before taxes	$ 1,066,958	$ 967,834
Income taxes	460,000	429,000
Net Income	$ 606,958	$ 538,834

* Included in Costs and Expenses, Depreciation and Amortization: $191,078 in 1984 and $157,132 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 32,703	$ 13,168
Short-term investments	1,135,634	1,600,000
Accts. receiv., net	1,094,668	942,099
*Inventories	531,555	518,243
Prepaid expenses	6,281	7,856
Current Assets	$ 2,800,841	$ 3,081,366
#Fixed assets	492,411	539,505
Value of insurance	34,339	31,664
Prepaid inc. taxes	54,000	40,000
Catalog costs	58,151	91,751
Market. secur.	871,057	—
Total Assets	$ 4,310,799	$ 3,784,286

Liabilities

	1984	1983
Accts. payable	$ 164,561	$ 100,011
Accruals	278,961	265,538
Accrued payroll	369,288	323,562
Commissions	99,625	73,724
Oblig. under capital lease, curr.	54,547	49,301
Curr. Liabilities	$ 966,982	$ 812,136
Long-term debt	108,339	162,984
+ Common stock	463,796	454,796
Add. paid-in capital	817,994	722,369
Retained earnings	2,199,875	1,659,820
Valuaton allow. on secur.	(128,130)	—
Treasury stock	(27,819)	(27,819)
Deferred comp.	(90,238)	—
Total Liabilities & Shareholders' Equity	$ 4,310,799	$ 3,784,286

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income before Taxes to Sales & Rev.	25.55	25.36
%Net Income to Sales & Rev.	14.54	14.12
%Net Income to Equity	18.76	19.18
Working Capital	$1,833,859	$2,269,230
Current Ratio	2.90	3.79
Shareholders' Equity	$3,235,478	$2,809,166

San/Bar Corporation

9999 Muirlands Boulevard
Irvine, California 92714
(714) 855-9911

Officers: Barry K. Hallamore, chairman of the board & chief executive officer; Robert D. Johnson, president, chief operating & chief financial officer; John H. Piel, group v.p. & gen. mgr.-Texas; Ray Schuessler, George Singleton, George Merritt, Merlyn Davies, vice presidents; Lloyd G. Hallamore, dir.-corp. development & secretary.

Directors: Barry K. Hallamore, chairman; Robert D. Johnson, Lloyd G. Hallamore, Larry Velie, Robert L. Purcell.

Areas of Work: Develops, manufactures, markets and services systems and products for the telephone industry, including carrier systems, remote disconnect systems, ring transfer message waiting units, etc. Also produces a penetrating lubricant for weapon cleaning which is primarily sold to the Army.

Divisions:

Business Telephone Systems
2413 Shiloh Road
Garland, Texas 75040

Transmission Systems Division

Break-Free/CLP Division

Telephone Service Center
2405 Shiloh Road
Garland, Texas 75040
Wiesbaden, West Germany
Mississauga, Ontario
Canada

Transfer Agent(s):

First Interstate Bank
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SBAR (NASDAQ)

Number of Employees:

1984	N.A.
1983	380

Plant Footage:

1984	N.A.
1983	55,000 sq. ft.

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 26,313,545	$ 423,871
1983	23,686,875	(859,401)
1982	24,872,815	1,331,697
1981	19,866,648	689,374
1980	13,308,822	29,204

	No. of Com. Shares +	Earn. per Share +
1984	2,002,757	$ 0.21
1983	1,399,332	—
1982	1,855,105	0.72
1981	1,399,332	0.49
1980	1,377,204	0.02

(Loss)
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Bus. telephone syst.	$ 11,270,769	$ 13,158,771
Transmission systems	3,692,522	2,424,214
Tele. serv. ctr.	6,492,468	4,284,690
Break-Free	3,417,056	3,819,200
Total	$ 24,872,815	$ 23,686,875

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.05	—	—
1982	0.08	—	3-for-2
1981	0.03	—	—
1980	0.03	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 9,097,930	$ 4.54
1983	8,634,077	6.17
1982	9,511,015	5.13
1981	3,437,018	2.46
1980	2,742,398	1.99

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 26,313,545	$ 23,686,875
Other income	768,457	317,365
Total income	$ 27,082,002	$ 24,004,240
Cost of sales	19,059,143	17,524,726
Expenses	6,549,610	7,285,053
Interest expense	814,378	633,862
Income (loss) before taxes	$ 658,871	$ (1,439,401)
Income taxes (credit)	235,000	(580,000)
Net Income (Loss)	$ 423,871	$ (859,401)

* Included in Costs and Expenses, Depreciation and Amortization: $401,806 in 1984 and $641,291 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 405,051	$ 380,855
Accts. receiv., net	6,601,647	5,725,423
*Inventories	8,415,291	8,787,455
Prepaid expenses	216,966	89,129
Refund. inc. taxes	—	696,886
Current Assets	$ 15,638,955	$ 15,679,748
#Fixed assets	3,440,430	3,668,377
Other assets	279,823	288,821
Total Assets	$ 19,359,208	$ 19,636,946

Liabilities

	1984	1983
Note payable	$ 3,900,000	$ 5,300,000
Long-term debt, curr.	99,936	90,033
Accts. payable	3,409,531	2,739,397
Accruals	500,672	472,460
Accrued compen.	219,187	213,636
Income taxes	86,614	—
Curr. Liabilities	$ 8,215,940	$ 8,815,526
Long-term debt	1,700,735	1,835,969
Deferred inc. taxes	98,176	12,814
Other liab.	246,427	338,560
+ Common stock	6,324,153	6,080,653
Retained earnings	3,257,475	2,833,604
Restricted stock plan exp.	(483,698)	(280,180)
Total Liabilities & Shareholders' Equity	$ 19,359,208	$ 19,636,946

* At lower of cost (FIFO) or market (net realizable value).
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	2.50	—
%Net Income to Sales	1.61	—

%Net Income to Equity	4.66	—
Sales to Inventories	3.13	2.70
Working Capital	$7,423,015	$6,864,222
Current Ratio	1.70	1.78
Shareholders' Equity	$9,097,930	$8,634,077

Sanders Associates, Inc.

Daniel Webster Highway South
Nashua, New Hampshire 03061
(603) 885-4321

Officers: Jack L. Bowers, chairman & chief executive officer; Albert B. Wight, president & chief operating officer; William P. Conlin, senior v.p. & president, CalComp Group; Edward A. Miller, exec. v.p.; James P. Woolnough, senior v.p. & president, Federal Systems Group, Jay M. Farrar, senior v.p. & president, Component Products Group; Joseph A. Scopelliti, senior v.p.-finance; Daniel C. Chisholm, v.p.-corporate staff; John F. Egan, v.p.-corporate development; James F. Gallagher, v.p. & controller; Charles H.S. Howe, v.p., general counsel & secretary; Leo J. McLaughlin, v.p.-plant & materiel; Martin R. Richmond, v.p.-technical staff; John A. Ruggiero, v.p.-and treasurer; Robert T. Smith, v.p-International Systems Division; Charles A. Glenday, v.p.-public affairs; Roger W. Brown, v.p.-industrial relations; Henry Brodie, v.p.-corporate computer and Information Sciences Center; James P. Marion, v.p.-procurement.

Directors: Jack L. Bowers, chairman; Martin R. Richmond, Harold W. Pope, John R. Deane, Jr., L.C. Whitney, Henry F. Argento, Harry G. Bowles, Albert B. Wight, Russell D. O'Neal, William C. Leone, Norman E. Miller, Dean W. Freed, Harold A.B. McInnes, John W.R. Pope, Jr., David S. Potter.

Areas of Work: Engaged in research, development, engineering, and manufacturing programs relating to advanced technology electronic and electromechanical systems and products.

Federal Systems Group produces electronic countermeasure systems, antisubmarine warfare systems, electro-optics, radars, radio direction finding equipment, signal acquisition and analysis, military communications and classified programs or products for the armed services and other U.S. agencies under contract.

Component Products Group makes graphic displays and custom terminals, microwave components and devices, printed circuitry, valves and other specialized items, for use by Federal Systems Group and outside customers.

The CalComp Group is engaged in the design and production of computer graphic systems including plotting equipment and related software.

Divisions:

Federal Systems Group
Sanders Associates, Inc.
95 Canal Street
Nashua, New Hampshire 03060
(603) 885-3633

Electronic Warfare Division

Surveillance Systems Division

Defense and Information Systems Division

Systems Management Division

Component Products Group
Sanders Associates, Inc.
Grenier Field
Manchester, New Hampshire 03103
(603) 669-4615

Microwave Division

Flexprint Division

CalComp Group
2411 West La Palma Avenue
Anaheim, California 92801
(714) 821-2011

Subsidiaries:

Sanders Leasing Corporation
Daniel Webster Highway South
Nashua, New Hampshire 03060
(603) 885-3610

Sanders Leasing Limited
Bury Mead Road
Hitchin Herts, England

Airport Realty Corporation
High Point Realty Corporation
H-Tension Realty Corporation
Industrial Realty Corporation
Space Realty Corporation

All at:

Daniel Webster Highway South
Nashua, New Hampshire 03060
(603) 885-2236

CalComp Digitizer Products Division
Scottsdale, Arizona

Leading supplier of digitizers which are used to convert graphic information such as drawings and maps into digital data that can be processed by a computer.

CalComp S.A.
43 rue de la Breche-Aux-Loups
75 Paris (12e) France

CalComp GmbH
Dusseldorfer Strasse 101
4000 Dusseldorf 11
West Germany

CalComp B.V.
Maalderij 21
P.O. Box 444
Amstelveen, The Netherlands

CalComp Limited
Cory House
The Ring
Bracknell, Berks RG12 1ER
England

CalComp Pacific, Inc.
Azabu Building
3-5-27 Roppongi
Minato-ku, Tokyo 106, Japan

CalComp Canada
55 Westmore Drive
Rexdale, Ontario M9V 3Y6
(416) 745-9610

CalComp S.p.A.
Via Farnese 1
20146 Milan, Italy

Acquisition(s):

Analytyx Electronic Systems, Inc.

Transfer Agent(s):

Chemical Bank (common stock)
Corporate Trust Dept.
55 Water Street
New York, New York 10041

Bank of America National Trust and
Savings Association (4% Debentures)
Corp. Agency Division
555 South Flower Street
Los Angeles, California 90071

Stock Exchange(s): New York

Ticker Symbol: SAA

Number of Employees:

1984	10,793	1981	7,098
1983	9,254	1980	7,777
1982	7,713		

Plant Footage:

1984	3,771,000 sq. ft	1981	2,097,000
1983	3,620,000	1980	2,005,000
1982	2,406,000		

Sales and Earnings

	Net Sales	Net Income #
1984	$ 746,138,000	$ 43,296,000
1983	578,128,000	37,046,000
1982	436,224,000	26,415,000
1981*	364,483,000	21,873,000
1980	281,057,000	18,528,000

	No. of Com. Shares +	Earn. per Share ‡‡#
1984	19,140,000	$ 2.25
1983	18,872,000	2.04
1982	15,928,000	1.65
1981*	15,782,000	1.38
1980	15,554,000	1.33

* 53 weeks.
+ Adjusted to reflect stock split.
‡‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.
# Including extraordinary loss of $5,735,000 ($0.30 per share) in 1984.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.44	—	2-for-1
1983	0.36	—	—
1982	0.32	—	—
1981	0.29	—	—
1980	0.25	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 317,374,000	$ 16.58
1983	281,006,000	14.89
1982	174,810,000	10.98
1981	150,938,000	9.56
1980	130,503,000	8.39

+ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended	7/27/84	7/29/83
Net sales	$ 746,138	$ 578,128
Cost of sales	581,079	448,869
Expenses	94,676	78,818
Interest income	(12,521)	(14,107)
Interest expense	—	517
Other expenses	1,840	1,623
Income before taxes	$ 81,064	$ 62,408
Income taxes	32,033	25,362
Net Income	$ 49,031	$ 37,046
Extraord. loss	(5,735)	—
Net Income & Extraord. loss	$ 43,296	$ 37,046

* Included in Costs and Expenses, Depreciation and Amortization: $23,604,000 in 1984 and $16,652,000 in 1983.

Assets
(000's)

As of	7/27/84	7/29/83
Cash & investments	$ 65,715	$ 108,741
Accts. receiv., net	119,065	92,335
*Inventories	142,125	102,511
Other curr. assets	5,010	4,230
Current Assets	$ 331,915	$ 307,817
#Fixed assets	174,900	129,354
Other assets	2,341	1,947
Intangibles	17,237	27,176
Total Assets	$ 526,393	$ 466,294

Liabilities
(000's)

Long-term debt, curr.	$ 3,640	$ 1,800
Accts. payable	45,063	31,637
Advances	24,428	27,923
Accruals	43,729	36,691
Accrued & deferred income taxes	47,649	53,116

Curr. Liabilities	$ 164,509	$ 151,167
Deferred income taxes	24,679	23,968
Long-term debt	19,831	10,153
+ Common stock	19,140	9,436
Add. paid-in capital	153,966	159,227
Retained earnings	147,669	112,343
Treasury stock	(3,401)	—
Total Liabilities & Shareholders' Equity	$ 526,393	$ 466,294

* At lower of cost (average) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	10.86	10.79
% Net Income to Sales	6.57	6.41
% Net Income to Equity	15.45	13.18
Sales to Inventories	5.25	5.64
Working Capital	$167,406,000	$156,650,000
Current Ratio	2.02	2.04
Shareholders' Equity	$317,374,000	$281,006,000

Sargent-Welch Scientific Company

7300 North Linder Avenue
Skokie, Illinois 60077
(312) 677-0600

Officers: Thomas M. Mints, Jr., chairman of the board, president & chief executive officer; D. Jeffrey Baddeley, v.p., secretary & general counsel; Edward F. Ewen, Clark L. Schmitz, Ronald M. Rodeo, Robert L. Bieser, Jerry L. Ridenour, vice presidents; James A. Hodges, Jr., v.p.-finance & treasurer; Gerald J. Sweas, v.p. and controller.

Directors: Thomas M. Mints, Jr.*, Kenneth A. Bro*, T. Mackin Sexton, Robert R. Snediker, William B. Weiss*, D. Jeffrey Baddeley, William E. Bendix, Andrew J. McKenna, Frederic V. Malek.

* Member of the Executive Committee.

Areas of Work: Produces or distributes different scientific items for the educational and industrial markets including high vacuum mechanical pumps, turbo pumps and other vacuum products, chemical analysis meters, interferometers, Polarograph® products, recording titrators, spectrophotometers, potentiometric recorders, and pH measuring equipment. Distributes glassware, analytical balances, water stills and chemicals.

Subsidiaries:

SWS International Limited
Delaware

SWS, Inc.
Delaware

Sargent Welch Scientific of Canada, Limited
Weston, Ontario

Sargent-Welch Pte. Ltd.
Republic of Singapore

Transfer Agent(s):

The First National Bank of Chicago
Chicago, Illinois

Stock Exchange(s): New York, Midwest

Ticker Symbol: SWS

Number of Employees:

1984	775	1981	930
1983	750	1980	1,525
1982	700		

Plant Footage:

1984	N.A.	1981	511,000
1983	661,800 sq. ft.	1980	1,350,000
1982	674,925		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 78,362,000	$ 4,872,000
1983	72,569,000	3,955,000
1982	77,984,000	4,022,000
1981	81,605,000	8,667,000
1980	83,251,000	6,170,000

	No. of Com. Shares	Earn. per Share †
1984	2,342,054	$ 2.08
1983	2,342,054	1.69
1982	2,336,554	1.72
1981	2,334,554	3.72
1980	2,329,179	2.65

† Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.34	—	—
1983	1.23	—	—
1982	1.20	—	—
1981	1.62	—	—
1980	1.00	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 58,067,000	$ 24.79
1983	56,471,000	24.13
1982	55,286,000	23.66
1981	54,168,000	23.20
1980	49,207,000	21.13

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 78,362,000	$ 72,569,000
Other income	2,751,000	2,361,000
Total Income	$ 81,113,000	$ 74,930,000
Cost of sales	52,327,000	47,765,000
Expenses	19,994,000	19,808,000
Income before taxes	$ 8,792,000	$ 7,357,000
Income taxes	3,920,000	3,402,000
Net Income	$ 4,872,000	$ 3,955,000

* Included in Costs and Expenses, Depreciation and Amortization: $866,000 in 1984 and $861,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 1,001,000	$ 635,000
Marketable securities	29,159,000	27,966,000
Accts. receiv., net	12,818,000	12,470,000
*Inventories	14,553,000	15,230,000
Other assets	880,000	746,000
Current Assets	$ 58,411,000	$ 57,047,000
#Fixed asset	7,648,000	7,510,000
Total Assets	$ 66,059,000	$ 64,557,000

Liabilities

Accts. payable	$ 3,853,000	$ 3,864,000
Accruals	2,839,000	2,678,000
Income taxes	697,000	990,000
Curr. Liabilities	$ 7,389,000	$ 7,532,000
Deferred inc. taxes	603,000	554,000
+ Common stock	2,500,000	2,500,000
Add. paid-in capital	5,032,000	5,032,000
Retained earnings	52,550,000	50,816,000
Cum. trans. adj.	(299,000)	(161,000)
Treasury stock	(1,716,000)	(1,716,000)
Total Liabilities & Shareholders' Equity	$ 66,059,000	$ 64,557,000

* At lower of cost (LIFO for domestic inventories, FIFO for foreign) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	11.22	10.14
% Net Income to Sales	6.22	5.45
% Net Income to Equity	8.39	7.00
Sales to Inventories	5.38	4.76
Working Capital	$51,022,000	$49,515,000
Current Ratio	7.91	7.57
Shareholders' Equity	$58,067,000	$56,471,000

Saxton Products, Inc.

215 North Route 303
Congers, New York 10920
(914) 268-6846

Officers: Edward Abbo, chairman of the board & chief executive officer; Arthur Abbo, president; Allan Byer, v.p.-finance; Richard Baughman, controller.

Directors: Edward Abbo, chairman; Arthur Abbo, Fred Ehrman, Allan Byer, Jules Lennard, Max Steinberg.

Areas of Work: Designs, manufactures and sells insulated wire and cable for computers, POS data and video applications, security and alarm cables, and satellites. Also sells audio, electronic and TV accessories.

Transfer Agent(s):

Continental Stock Transfer & Trust Corp.
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SXNP (NASDAQ)

Number of Employees:

1984	130	1982	138
1983	131	1981	139

Plant Footage:

1984	90,500 sq. ft.	1982	70,500
1983	70,500	1981	60,800

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 9,188,082	$ 214,619
1983	8,111,985	(419,816)
1982	8,812,158	(135,575)
1981	• 7,535,100	13,243
1980	5,775,900	(1,596,266)

	No. of Com. Shares	Earn. per Share ‡ †
1984	433,249	$ 0.50
1983	433,249	—
1982	433,249	—
1981	433,249	—
1980	433,249	—

(Loss)
+ Of continuing operations only.
‡ Based on the weighted average number of shares outstanding.
† Including extraordinary gains of $80,775 ($0.19 per share) in 1984 and $3,100 ($0.01 per share) in 1981.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,357,416	$ 5.44
1983	2,142,797	4.95
1982	2,562,600	5.91
1981	2,698,188	6.23
1980	2,671,348	6.17

Income Account *

Year ended May 31	1984	1983
Net sales	$ 9,188,082	$ 8,111,985
Other income	119,155	19,028

Saxton Products, Inc.

		1984		1983
Total income	$	9,307,237	$	8,131,013
Cost of sales		7,136,052		6,679,169
Expenses		1,922,996		1,955,371
Interest expense		186,897		
Income (loss) bef. taxes	$	61,292	$	(717,690)
Income taxes (credit)		23,931		(116,772)
Inc. (loss)-cont. oper.	$	37,361	$	(600,918)
Inc.-discnt. oper.		96,483		181,102
Net Income (Loss)	$	133,844	$	(419,816)
Extraord. gain		80,775		—
Net Income (Loss) & extraord. gain	$	214,619	$	(419,816)

* Included in Costs and Expenses. Depreciation and Amortization: $140,408 in 1984 and $158,736 in 1983.

Assets

As of May 31		1984		1983
Cash	$	26,855	$	39,656
Accts. receiv., net		1,356,613		1,318,108
*Inventories		2,828,725		2,918,092
Prepaid & other assets		200,328		132,311
Current Assets	$	4,412,521	$	4,408,167
#Fixed assets		968,728		894,449
Other assets		145,403		141,122
Total Assets	$	5,526,652	$	5,443,738

Liabilities

		1984		1983
Notes payable	$	1,171,710	$	945,267
Long-term debt		58,869		49,785
Accts. payable		1,276,969		1,737,107
Due to officers		224,295		137,753
Accruals		302,684		316,617
Curr. Liabilities	$	3,034,527	$	3,186,529
Long-term debt		134,709		114,312
+ Common stock		433,249		433,249
Add. paid-in capital		1,400,129		1,400,129
Retained earnings		524,038		309,419
Total Liabilities	$	5,526,652	$	5,443,738

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Net Income to Equity	9.10	—
Sales to Inventories	3.25	2.78
Working Capital	$1,377,994	$1,221,638
Current Ratio	1.45	1.38
Shareholders' Equity	$2,357,416	$2,142,797

Scan-Optics, Inc.

22 Prestige Park Circle
East Hartford, Connecticut 06108
(203) 289-6001

Officers: Jean M. Belhumeur, Jr., chairman of the board & president; Clarence W. Rife, vice president-customer service; Ronald E. Gocht, v.p.-engineering; Richard J. Scanlon, v.p. & treasurer; Charles T Longworth, v.p.-sales; William H. Cuddy, secretary; John H. Ancoin, controller; John V. Woods, gen. mgr.-Scan-Optics Ltd.

Directors: Jean M. Belhumeur, Jr., Logan Clarke, Jr., Etalo G. Gnutti, Robert H. Steele, Richard J. Coburn, Lyman C. Hamilton, Jr.

Areas of Work: Engaged in the development, manufacture and marketing of data entry systems for the United States and international markets. The Company either sells equipment directly to customers or leases equipment through its wholly owned subsidiary, World Wide Systems Corporation. The Company also furnishes maintenance and engineering support service to its customers as well as software and systems analysis service.

Subsidiaries:

World-Wide Systems Corporation
22 Prestige Park
East Hartford, Connecticut 06108

Scan-Optics Limited
36 Sunbury Cross Centre
Sunbury, Middlesex, England TW16 7AZ

Transfer Agent(s):

The Connecticut Bank & Trust Co., N.A.
One Constitution Plaza - X04B
Hartford, Connecticut 06115

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SOCR(NASDAQ)

Number of Employees:

1984	354	1981	279
1983	336	1980	300
1982	321		

Plant Footage:

1984	59,000 sq. ft.	1981	39,200
1983	59,000	1980	39,200
1982	45,200		

Sales and Earnings

		Net Sales		Net Income ‡
1984	$	15,663,372	$	4,388,614
1983		17,758,093		3,844,616
1982		13,387,289		2,831,113
1981		10,839,806		2,111,067
1980		8,350,852		1,191,787

	No. of Com Shares +	Earn. per Share ‡ +
1984	6,129,465	$ 0.72
1983	6,101,115	0.63
1982	5,374,632	0.53
1981	5,186,465	0.41
1980	3,570,192	0.33

‡ Including extraordinary gains $218,690 ($0.04 per share) in 1983, $365,000 ($0.07 per share) in 1981, and $532,800 ($0.15 per share) in 1980.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

		Total Equity	Equity Per Share ‡
1984	$	28,068,093	$ 4.58
1983		23,634,410	3.87
1982		15,511,541	2.89
1981		12,501,377	2.41
1980		2,768,106	0.78

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account

Year ended Dec. 31		1984		1983
Net sales	$	15,663,372	$	17,758,093
Lease & service rev.		11,603,698		8,832,507
Total income	$	27,267,070	$	26,590,600
Cost of sales		7,977,247		8,530,514
Expenses		11,882,116		10,605,098
Depreciation		108,264		113,641
Interest income		(553,775)		(445,175)
Interest expense		233,984		502,917
Other expense		9,180		35,708
Income before taxes	$	7,610,054	$	7,247,897
Income taxes		3,221,440		3,621,971
Net Income	$	4,388,614	$	3,625,926
Extraord. gain		—		218,690
Net Income & extraord. gain	$	4,388,614	$	3,844,616

Assets

As of Dec. 31		1984		1983
Cash	$	322,458	$	383,890
Certificate of deposit		4,300,000		6,000,000
Accts. receiv., net		7,244,492		4,818,434
Receiv.-sales-type leases		4,933,736		4,687,721
*Inventories		10,512,119		7,434,257
Prepaid expenses		133,890		104,954
Current Assets	$	27,446,695	$	23,429,256
Equip. leased to customers		334,671		476,655
#Fixed assets		3,340,367		2,728,945
Def. financing costs		110,008		42,110
Invest. in sales-type leases		5,611,197		7,230,569
Total Assets	$	36,842,878	$	33,907,535

Liabilities

		1984		1983
Accts. payable	$	1,734,931	$	3,302,756
Accruals		406,047		478,313
Accrued taxes on income		1,289,292		108,770
Accrued payroll		777,504		795,796
Misc. taxes		438,246		316,818
Cust. deposits		126,380		116,298
Def. inc. taxes		1,792,233		2,034,688
Curr. Liabilities	$	6,564,633	$	7,153,439
Def. inc. taxes		2,210,152		3,119,686
+ Common stock		115,817		115,288
Add. paid-in capital		28,496,821		28,374,507
Curr. trans. adj.		86,587		164,361
Retained earnings (deficit)		(631,132)		(5,019,746)
Total Liabilities & Shareholders' Equity	$	36,842,878	$	33,907,535

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.02 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	48.59	40.81
%Net Income to Sales	28.02	20.42
%Net Income to Equity	15.64	15.34
Sales to Inventories	1.49	2.39
Working Capital	$20,882,062	$19,007,301
Current Ratio	4.18	4.71
Shareholders' Equity	$28,068,093	$23,634,410

Schaak Electronics, Inc.

1415 Mendota Heights Road
St. Paul, Minnesota 55120
(612) 454-6830

Officers: R.L. Schaak, chairman of the board & chief executive officer; Paul R. Ginther, president; Towru Nagano, v.p.-corporate development; Bruce E. Yoder, asst. secretary & asst. controller; Oleh Artym, v.p.; Joseph D. Osowski, v.p.-merchandising; Loren L. Berg, v.p.-retail operations; Robert P. Ziomek, sr. v.p.-finance; Joseph D. Osowski, v.p.-merchandising; James A. Coryea, II, controller; Thomas J. Campbell, secretary.

Directors: R.L. Schaak*, chairman; Paul R. Ginther, Galen M. Cadle*, Thomas Schreier*, Michael Scott*, Lawrence J.W. Castriotta.

* Member of the Executive Committee.

Areas of Work: Primarily a retailer of personal computers and high fidelity sound equipment, serving its customers through 54 company owned retail sales centers. In addition, the company wholesales high fidelity equipment to smaller dealers and manufactures a line of high fidelity speakers.

Subsidiary:

Federal Equity & Acceptance
Corporation (unconsolidated)
St. Paul, Minnesota

Transfer Agent(s):

American National Bank and Trust Company
St. Paul, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHAA (NASDAQ)

Number of Employees:

1984	600	1981	525
1983	591	1980	501
1982	519		

Sales and Earnings

	Net Sales	Net Income
1984	$ 79,778,000	$ (327,000)
1983	65,273,000	(918,000)
1982	58,027,000	686,000
1981	49,303,000	621,000
1980	45,556,474	1,457,035

	No. of Com. Shares #	Earn. per Share #
1984	1,682,000	$ —
1983	1,679,000	—
1982	1,615,000	0.42
1981	1,454,000	0.43
1980	1,302,738	1.12

(Loss)

Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 9,977,000	$ 5.93
1983	10,290,000	6.13
1982	10,890,000	6.74
1981	10,119,000	6.96
1980	6,820,000	5.24

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended May 31	1984	1983
Net sales	$ 79,778,000	$ 65,273,000
Cost of sales	54,522,000	46,076,000
Expenses	25,448,000	20,312,000
Interest expense	914,000	755,000
Eq. in income of subsid.	(291,000)	(50,000)
Loss bef. taxes	$ (815,000)	$ (1,820,000)
Tax credit	(488,000)	(902,000)
Net Loss	$ (327,000)	$ (918,000)

* Included in Costs and Expenses, Depreciation: $1,106,000 in 1984 and $995,000 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 391,000	$ 761,000
Accts. receiv., net	2,069,000	1,794,000
Adv. to fin. subsid.	156,000	18,000
*Inventories	19,436,000	17,589,000
Inc. taxes receiv.	—	998,000
Prepaid expenses & other assets	153,000	211,000
Current Assets	$ 22,205,000	$ 21,371,000
Invest. in fin. subsid.	1,391,000	400,000
Long-term receivable	—	174,000
#Fixed assets	5,809,000	5,219,000
Total Assets	$ 29,405,000	$ 27,164,000

Liabilities

Long-term debt, curr.	$ 580,000	$ —
Accts. payable	8,017,000	8,533,000
Accrued payroll	749,000	466,000
Other liabilities	860,000	858,000
Curr. Liabilities	$ 10,206,000	$ 9,857,000
Long-term debt	8,820,000	6,100,000
Deferred inc. taxes	402,000	917,000
+Common stock	168,000	168,000
Add. paid-in capital	4,569,000	4,555,000
Retained earnings	5,240,000	5,567,000
Total Liabilities & Shareholders' Equity	$ 29,405,000	$ 27,164,000

* At lower of cost (FIFO) or market.

Less accumulated depreciation.

+ $0.10 par value.

Statistical Summary

Sales to Inventories	4.10	3.71
Working Capital	$11,999,000	$11,514,000
Current Ratio	2.18	2.17
Shareholders' Equity	$9,977,000	$10,290,000

Schaevitz Engineering

U.S. Route 130 and Union Avenue
Pennsauken, New Jersey 08110
(609) 662-8000

Officers: Howard A. Schaevitz, chairman of the board & treasurer; LeRoy A. Bondy, president; Ernest D. Schmidt, v.p.; David Garippa, v.p.-finance; Frank R. Pisaro, v.p.-marketing; Stella A. Schaevitz, secretary.

Directors: Howard A. Schaevitz, chairman; LeRoy A. Bondy, John J. Hegar, Stella A. Schaevitz, Ruth J. Norwitz, Raimon L. Conlisk, Phyllis C. Howard, Brian J. Steel.

Areas of Work: Designs and manufactures electromechanical measurement and control instruments, including inclinometers and accelerometers for industrial applications.

Transfer Agent(s):

Heritage Bank, N.A.
1 Heritage Plaza
Jamesberg, New Jersey

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 24,544,828	$ 413,735
1983	21,673,821	304,723
1982	14,445,647	603,702
1981	11,573,329	1,024,008
1980*	11,039,075	441,443

	No. of Com. Shares	Earn. per Share #
1984	1,052,719	$ 0.39
1983	1,052,719	0.29
1982	1,052,719	0.57
1981	1,052,719	0.97
1980*	1,052,719	0.42

* 53 weeks

Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 6,814,177	$ 6.47
1983	6,649,593	6.32
1982	6,257,994	5.94
1981	5,876,913	5.58
1980	4,852,905	4.61

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 24,544,828	$ 21,673,821
Cost of sales	12,664,333	12,126,144
Expenses	9,414,262	8,190,686
Other income	(161,246)	(212,646)
Other charges	1,111,193	800,498
Income before taxes	$ 1,516,286	$ 769,139
Income taxes	788,833	226,000
Cum. effect of change in accntng.	313,718	238,416
Net Income	$ 413,735	$ 304,723

* Included in Costs and Expenses, Depreciation and Amortization: $861,472 in 1984 and $750,752 in 1983.

Assets

	12/29/84	12/31/83
Cash	$ 523,254	$ 531,971
Accts. receiv., net	5,460,804	4,840,793
*Inventories	6,223,980	5,848,687
Inc. taxes receiv.	64,696	484,000
Other assets	441,771	325,153
Current Assets	$ 12,714,505	$ 12,030,604
#Fixed assets	5,676,287	5,379,173
Other assets	418,214	477,114
Total Assets	$ 20,587,198	$ 17,886,891

Liabilities

Long-term debt, curr.	$ 669,464	$ 452,565
Notes payable	743,691	358,067
Accts. payable	1,788,434	2,093,276
Accruals	1,266,912	1,855,799
Income taxes	1,530,956	704,143
Curr. Liabilities	$ 5,999,457	$ 5,463,850
Long-term debt	6,259,403	4,247,044
Deferred taxes	443,033	596,042
Deferred comp.	324,041	229,826
Minority interest	747,087	700,536
+Common stock	105,693	105,693
Add. paid-in capital	861,233	861,233
Retained earnings	6,235,695	5,821,960
Cum. trans. adjust.	(384,896)	(135,745)
Treasury stock	(3,548)	(3,548)
Total Liabilities & Shareholders' Equity	$ 20,587,198	$ 17,886,891

* At lower of cost (FIFO) or market.

Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.18	3.55
%Net Income to Sales	1.69	1.41
%Net Income to Equity	6.07	4.58
Sales to Inventories	3.94	3.71
Working Capital	$6,715,048	$6,566,754
Current Ratio	2.12	2.20
Shareholders' Equity	$6,814,177	$6,649,593

Schlumberger Limited

277 Park Avenue
New York, New York 10172
(212) 350-9400

42, rue Saint-Dominique
75007 Paris
France

Officers: Jean Riboud, chairman of the board & chief exec. officer; Michel Vaillaud, president & chief operating officer; Arthur Lindenauer, exec. v.p. & chief financial officer; Michel Gouilloud, exec. v.p.-technology; Roland Genin, chairman of the exec. committee; Roy R. Shourd, Jimmy G. Lee, Rene Mitieus, Donald W. Brooks, B. Gill Clements, D. Euan Baird, exec. v.p.'s; Jean Babaud, Allen Klein, Andre Misk, v.p.'s; Victor E. Grijalva, v.p.-personnel; William W. Dunn, controller; David S. Browning, secretary & general counsel; Patrick J.B. Corser, treasurer; James A. Mackenzie, Andre Laloux, Thomas O. Rose, asst. secretaries.

Directors: Jean Riboud*, chairman; Roland Genin*, George H. Jewell, Paul A. Lepercq*, George de Menil, Don E. Ackerman, Robert A. Charpie*, Bernard Hanon, Nicholas Seydoux, Richard R. Shinn, Jerome B. Wiesner*, Michel Vaillaud*, Felix Rohatyn*, Pierre Marcel Schlumberger.

Schlumberger Limited

* Member of the Executive Committee.

Areas of Work: Manufactures measurement and control instruments and systems for consumer, industrial and commercial applications. Also offers different technical operations to the oil industry on a worldwide basis.

Divisions and Subsidiaries:

Measurement and Control

Fairchild-Weston
Panel and portable meters, aircraft instruments, potentiometers, x-ray gauges, nuclear instruments, vehicle performance recorders.

Paymatec
Develops electronic payment devices.

Electricity Management Division
Electricity meters and equipment for electric power distribution, load, and rate management systems.

Instruments Division
Data recorders; electronic instrumentation for industrial, laboratory and aerospace application; systems & transducers.

Fluidmetering Division
Water and gas meters and distribution systems.

Process Control & Valves Division
Industrial process control equipment; petroleum, nuclear and industrial valves.

GIERS
Research center near Paris for measurement & control operations.

Oilfield Services

Wireline Services
Wireline service companies provide measurements of physical properties of underground formations which help locate and define oil and gas reservoirs and assist in completion, development and production phases of oil wells.

Wireline North America

Wireline Atlantic

Wireline Asia

Vector
Cables for well logging, oceanography and geophysical exploration.

Drilling Services & Production Services

Forex Neptune
Offshore and land drilling.

Flopetrol Johnston
Services and tools for oil well completion, production, and secondary recovery.

The Analysts
Mud logging, computer-assisted analysis of drilling, downhole measurement while drilling services.

Dowell-Schlumberger (50% owned)
Cementing, acidizing, fracturing, formation testing and directional drilling services.

Schlumberger Cambridge Research
Research in drilling mechanics, wellborne physics, rock physics, fluid mechanics and mathematical modeling.

Fairchild Camera and Instrument Corporation
464 Ellis Street
Mountain View, California 94042

Manufactures and markets semiconductor devices; electronic test systems, instruments, and microprocessors; Audio-visual and aviation products. The company is also engaged in the development and production of space and defense systems and products for NASA, the military services and other government customers.

Computer Aided Systems

Component Test Systems
Computer-controlled systems for testing semiconductors.

Subassembly Test Systems
Computer-controlled systems for testing printed circuit board subassemblies.

MDSI
Computer-aided manufacturing systems for numerically controlled machine tools.

Benson
Computer-aided drafting products and peripherals for CAD/CAM.

Applicon Incorporated
32 Second Avenue
Burlington, Massachusetts 01803
(617) 272-7070

Manufactures and markets interactive graphics systems used in computer-aided design and computer-aided manufacture (CAD/CAM).

Transfer Agent(s):

Morgan Guaranty Trust Co.
New York, New York

Bank of the Southwest
Houston, Texas

Stock Exchange(s): New York, Paris, London, Amsterdam, Geneva, Frankfurt

Ticker Symbol: SLB

Number of Employees:

1984	N.A.	1981	86,000
1983	69,000	1980	83,532
1982	75,000		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$6,370,442,000	$1,182,073,000
1983	5,797,459,000	1,084,299,000
1982	6,283,810,000	1,348,165,000
1981	5,977,938,000	1,265,975,000
1980	5,137,115,000	994,347,000

	No. of Com. Shares †	Earn. per Share †
1984	288,580,000	$ 4.10
1983	290,933,000	3.73
1982	293,119,000	4.60
1981	289,486,000	4.37
1980	286,146,000	3.47

+ Includes services and other income.
† Based on the average number of common shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Oilfield services	$ 3,617,000	$ 3,414,000
Measurement & control	2,362,000	2,099,000
Interest and other income	391,000	284,000
Total	$ 6,370,000	$ 5,797,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.12	—	—
1983	1.00	—	—
1982	0.92	—	—
1981	0.77	—	3-for-2
1980	0.63	—	3-for-2

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$6,992,202,000	$ 24.23
1983	5,818,850,000	20.00
1982	5,226,444,000	17.83
1981	4,234,633,000	14.63
1980	3,218,401,000	11.25

‡ Based on the average number of common shares outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales & services	$ 5,978,552	$ 5,513,246
Other income	391,890	284,213
Total income	$ 6,370,442	$ 5,797,459
Cost of sales & service	3,652,790	3,388,364
Expenses	992,323	904,480
Interest expense	153,436	115,578
Income before taxes	$ 1,571,893	$ 1,389,037
Income taxes	389,820	304,738
Net Income	$ 1,182,073	$ 1,084,299

* Included in Costs and Expenses, Depreciation and Amortization: $735,276,000 in 1984 and $692,194,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 41,349	$ 21,564
Investments	3,964,119	3,167,077
Receiv., net	1,215,143	1,089,599
*Inventories	689,748	602,330
Other assets	87,802	73,181
Current Assets	$ 5,998,161	$ 4,953,751
Investments & receiv.	951,946	379,552
#Fixed assets	3,145,158	2,621,027
Exec. of invest. over net assets of subsid. purch.	760,756	366,676
Other assets	57,173	32,233
Total Assets	$ 10,913,194	$ 8,353,239

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 27,884	$ 12,955
Accts. payable & accruals	942,196	796,320
Bank loans	829,555	441,272
Dividends payable	86,597	75,432
Income taxes	890,894	597,584
Curr. Liabilities	$ 2,777,126	$ 1,923,563
Long-term debt	965,580	455,259
Other liabilities & reserves	159,806	140,915
Minority interest	18,480	14,652
+ Common stock	421,583	359,537
Retained earnings	6,908,246	6,049,223
Treasury stock	(127,472)	(449,967)
Trans. adjustment	(210,155)	(139,943)
Total Liabilities & Shareholders' Equity	$ 10,913,194	$ 8,353,239

* At lower of average or standard or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	26.29	25.19
%Net Income to Sales	19.77	19.67
%Net Income to Equity	16.91	18.63
Working Capital	$3,221,035,000	$3,030,188,000
Current Ratio	2.16	2.58
Shareholders' Equity	$6,992,202,000	$5,818,850,000

SCI Systems, Inc.

5000 Technology Drive
Huntsville, Alabama 35802
(205) 882-4800

Officers: Olin B. King, chairman of the board & chief exec. officer; A. Eugene Sapp, Jr., president & chief operating officer; Juan Sandoval, Ronald F. Borelli, Thomas O. Cook, G. Thomas Scott, sr. v.p.'s.; Charles H. Gunselman, Leonard L. Mitchum, Jr., Thomas H. Southerland, Jerry F. Thomas, Walter J. Conroy, P. Michael Dunn, Irwin O. Goldstein, Edmund F. Turek, v.p.'s; William J. Hebding, treasurer; Harvey D. Harkness, secretary and treasurer

Directors: Olin B. King*, chairman; Elliott Goldstein*, Thomas H. Lenagh*, Howard H. Callaway, W.L. Halsey, Jr., Charles M. Reynolds, Jr., A. Eugene Sapp, Jr., G. Robert Tod, Judith T. Connor

*Member of the Executive Committee

Areas of Work: Company engaged in research, development and manufacture of data management systems, flight test systems, data bus products, computer memories, communications products, aircraft controls and displays, missile electronics, and mission support integration for the government and aerospace industry; supervisory control systems for automation of oil, gas and water distribution, petrochemical process control, building utility control, traffic control functions, gas Liquification plants, coal to gas conversion plants and uranium enrichment plants; banking automation systems including a family of interactive terminals combined with distributed processors and application software; image processing using a computer to automaticaly process and analyze visual images in real time; currency handling products; telemetry transmitters and receivers used in cardiac monitoring systems; computer products; a family of advanced printers; injection molded plastics, expanded polystyrene plastics and thermosetting plastics; aluminum castings; and machined components.

Transfer Agent(s):

The First National Bank of Maryland
Baltimore, Maryland

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCIS (NASDAQ)

Number of Employees:

1984	4,260	1981	2,108
1983	3,220	1980	1,619
1982	2,920		

Plant Footage:

1984	800,000 sq. ft.	1981	458,000
1983	565,000	1980	448,000
1982	518,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 437,351,400	$ 11,515,773
1983	182,499,400	6,570,476
1982	90,013,900	4,110,278
1981	59,382,600	3,100,752
1980	46,737,047	2,119,531

	No. of Com. Shares +	Earn. per Share †
1984	12,975,410	$ 0.91
1983	11,788,250	0.57
1982	11,388,756	0.37
1981	9,903,756	0.31
1980	9,906,507	0.21

+ Adjusted to reflect stock dividends and stock split.
† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1984	%	1983	%
Government programs	$50,194	12%	$44,626	24%
Commercial products	387,157	88	137,873	76
Total	$437,351	100%	$182,499	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1
1983	—	50%	—
1982	—	—	—
1981	—	50%	—
1980	—	25%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 77,211,107	$ 5.95
1983	44,135,846	3.74
1982	33,904,335	2.98
1981	21,186,811	2.14
1980	18,107,467	1.83

† Adjusted to reflect stock dividends and stock split.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 437,351,400	$ 182,499,400
Other income	2,392,595	1,647,264
Total income	$ 439,743,995	$ 184,146,664
Cost of sales & exp.	407,507,484	169,858,100
Interest expense	9,098,975	2,975,868
Other charges	2,807,059	236,220
Income before taxes	$ 20,330,477	$ 11,076,476
Income taxes	8,814,704	4,506,000
Net Income	$ 11,515,773	$ 6,570,476

* Included in Costs and Expenses, Depreciation and Amortization: $3,579,474 in 1984 and $2,117,176 in 1983.

Assets

As of June 30	1984	1983
Cash & cert. of deposit	$ 1,381,777	$ 21,091,283
Accts. receiv., net	48,545,199	16,221,120
Unreimbursed costs	531,671	403,847
*Inventories	158,488,653	66,650,976
Recov. inc. tax	—	496,933
Other current assets	372,561	514,166
Current Assets	$ 209,319,861	$ 105,378,325
#Fixed assets	33,495,563	15,783,040
Unexpended bond funds	51,262	2,230,684
Total Assets	$ 242,866,686	$ 123,392,049

Liabilities

	1984	1983
Long-term debt, curr.	$ 905,000	$ 528,333
Accts. payable	65,352,182	21,937,389
Accrued payroll	4,637,065	4,475,799
Accruals	5,707,083	2,506,929
Income taxes	6,502,554	4,873,516
Curr. Liabilities	$ 83,203,884	$ 34,321,966
Long-term debt	78,141,040	40,169,237
Deferred inc. taxes	4,410,655	4,765,000
+ Common stock	1,297,541	1,178,825
Add. paid-in capital	43,792,901	22,352,129
Retained earnings	32,120,665	20,604,892
Total Liabilities & Shareholders' Equity	$ 242,866,686	$ 123,392,049

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	4.65	6.07
% Net Income to Sales	2.63	3.60
% Net Income to Equity	14.91	14.89
Sales to Inventories	2.76	2.74
Working Capital	$126,215,977	$71,056,359
Current Ratio	2.52	3.07
Shareholders' Equity	$ 77,211,107	$44,135,846

Scientific Industries, Inc.

Airport International Plaza
70 Orville Drive
Bohemia, N.Y. 11716
(516) 567-4700

Officers: Lowell A. Kleiman, president & treasurer; Charles N. Bellm, secretary;Grigory Eydelman, v.p.-research & chief scientist; Cathy Zimlinghaus, v.p.-administration; Claire McAuliffe, asst. secretary & asst. treasurer.

Directors: Charles N. Bellm, Joseph I. Kesselman, Lowell A. Kleiman, Roger B. Knowles, Arthur M. Borden.

Areas of Work: Produces scientific instruments and apparatus for laboratory use. Products include liquid mixers, peristaltic pumps, hospital supply sterilizers, and temperature gradient incubators.

Transfer Agent(s):

Continental Stock Transfer & Trust Co.
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCND (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 1,620,900	$ (95,600)
1983	1,118,400	(321,600)
1982	1,672,400	(55,800)
1981	2,100,200	74,400
1980	1,605,000	73,500

	No. of Com. Shares	Earn. per Share ‡
1984	754,232	$ —
1983	749,232	—
1982	730,732	—
1981	696,499	0.10
1980	656,405	0.10

(Loss)
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Revenues By Line of of Business

	1984	1983	1982	1981
Laboratory equipment	68%	73%	70%	54%
Sterilizers, autoclaves and similar devices	32	27	30	46
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	5%	—
1981	—	5%	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 635,500	$ 0.84
1983	726,700	0.97
1982	1,030,200	1.41
1981	1,087,600	1.5[illegible]
1980	998,000	1.52

Income Account *

Year ended June 30	1984	1983
Net sales	$ 1,620,900	$ 1,118,400
Cost of sales	1,102,700	916,000
Expenses	643,500	626,800

Scientific Industries, Inc.

Interest income	(4,600)	(7,600)
Other income	(25,100)	(49,500)
Loss before taxes	$ (95,600)	$ (367,300)
Tax credit	—	(45,700)
Net Loss	$ (95,600)	$ (321,600)

* Included in Costs and Expenses, Depreciation and Amortization: $24,000 in 1984 and $27,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 107,500	$ 111,500
Accts. receiv., net	233,700	95,500
*Inventories	397,100	481,100
Prepaid expenses	21,200	31,500
Recoverable inc. taxes	—	47,100
Current Assets	$ 759,500	$ 766,700
#Fixed assets	73,900	86,200
Other assets	21,200	30,700
Total Assets	$ 854,600	$ 883,600

Liabilities

Accts. payable	$ 142,800	$ 76,700
Accrued expenses	53,700	51,700
Customer advances	22,600	28,500
Curr. Liabilities	$ 219,100	$ 156,900
+ Common stock	38,700	38,400
Add. paid-in capital	797,500	793,400
Deficit	(148,300)	(52,700)
Treasury stock	(52,400)	(52,400)
Total Liabilities & Shareholders' Equity	$ 854,600	$ 883,600

* At lower of cost (FIFO) or replacement market.
# Less accumulated depreciation and amortization.
+ $0.05 par value.

Statistical Summary

Sales to Inventories	4.08	2.32
Working Capital	$540,400	$609,800
Current Ratio	3.47	4.89
Shareholders' Equity	$635,500	$726,700

Scientific Radio Systems, Inc.

367 Orchard Street
Rochester, New York 14606
(716) 458-3733

Officers: Melvin S. Stiles, president; Harold F. Staudenmayer, v.p. & secretary; David W. Hoffman, vice president & treasurer; Neal Garman, vice president-marketing.

Directors: Melvin S. Stiles, chairman; Harold F. Staudenmayer, David W. Hoffman, Richard Calabrese, William Ichter, Elton Burgett.

Areas of Work: Designs, develops, manufactures and sells long range radio communications products such as linear amplifiers, antenna couplers, teletype terminals, voice privacy devices, high frequency single sideband transceivers and accessories. Also, VHF-FM and VHF-AM transmitters and receivers.

Transfer Agent(s):

Marine Midland Bank
Two Broadway
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	118	1981	171
1983	145	1980	175
1982	159		

Plant Footage:

1984	N.A.	1981	60,000
1983	N.A.	1980	60,000
1982	60,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,456,628	$ (738,595)
1983	5,585,144	81,552
1982	7,634,946	254,578
1981	7,258,953	335,845
1980	5,580,062	196,132

	No. of Com. Shares ‡	Earn. per Share †
1984	984,133	$ —
1983	984,137	0.08
1982	984,138	0.26
1981	971,310	0.38
1980	840,106	0.22

(Loss)
‡ Adjusted to reflect stock split.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.04	—	—
1983	0.04	—	—
1982	0.04	—	—
1981	0.04	—	2-for-1
1980	0.06	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,001,000	$ 3.22
1983	3,725,000	3.88
1982	3,681,000	3.82
1981	3,392,000	3.56
1980	2,644,000	3.15

Income Account *

Year ended June 30	1984	1983
Net sales	$ 4,456,628	$ 5,585,144
Cost of sales	3,534,246	3,369,620
Expenses	2,116,871	1,879,996
Oper. profit (loss)	$ (1,194,489)	$ 335,528
Interest expense	334,106	247,176
Income (loss) before taxes	$ (1,528,595)	$ 88,352
Income taxes (credit)	(790,000)	6,800
Net Income (Loss)	$ (738,595)	$ 81,552

* Included in Costs and Expenses, Depreciation: $181,041 in 1984 and $148,444 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 4,601	$ 12,083
Cert. of deposit	—	71,252
Accts. receiv., net	651,543	1,609,341
Cost in excess of amts. billed	635,241	566,484
*Inventories	5,613,975	5,405,581
Prepaid expenses	15,824	34,972
Current Assets	$ 6,921,184	$ 7,699,713
#Fixed assets	756,130	1,063,395
Other assets	186,533	38,085
Total Assets	$ 7,863,847	$ 8,801,193

Liabilities

Credit loan	$ 3,025,000	$ —
Long-term debt, curr.	45,571	1,318,381
Accts. payable	391,888	367,457
Accrued expenses	568,043	734,001
Dividend payable	—	39,457
Curr. Liabilities	$ 4,030,502	$ 2,459,296
Long-term debt	229,106	1,224,923
Deferred income taxes	603,328	1,392,330
+ Common stock	10,188	10,188
Add. paid-in capital	1,691,940	1,691,940
Retained earnings	1,409,849	2,148,444
Treasury stock	(28,462)	(28,449)
Receivable from sales of stock	(82,604)	(97,479)
Total Liabilities & Shareholders' Equity	$ 7,863,847	$ 8,801,193

* At lower of cost (weighted average) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	1.58
%Net Income to Sales	—	1.46
%Net Income to Equity	—	2.19
Sales to Inventories	0.79	1.03
Working Capital	$2,890,682	$5,240,417
Current Ratio	1.72	3.13
Shareholders' Equity	$3,000,911	$3,724,644

Scientific-Atlanta, Inc.

One Technology Parkway
Box 105600
Atlanta, Georgia 30348
(404) 441-4000

Officers: Sidney Topol, chairman of the board, president & chief executive officer; John R. Levergood, president & chief operating officer; Harry Topliss, Jr., sr. v.p.-finance & treasurer; Jules E. Kadish, v.p.-international marketing; Leo E. Ramsauer, Jr., Samuel D. Davis, James H. Hart, H. Raymond Eckman, v.p.'s; H. Allen Ecker, v.p.-corporate development; Sezer M. Soylemez, v.p.-information management; William S. Brown, v.p.-manufacturing; David A. Eggers, v.p., secretary & general counsel; Julian W. Eidson, v.p. & controller; Peggy W. Jones, asst. secretary; Guy W. Beakley, v.p.-research & development; John R. Tekowitz, v.p.-human resources.

Directors: Glen P. Robinson, Jr., Wilbur B. King, Joseph M. Pettit, Sidney Topol, William B. Harrison, James V. Napier, Erwin Zaban, John H. Levergood, Charles W. Skinner.

Areas of Work: Designs, manufactures and markets commercial electronic signal generating and receiving equipment consisting of a variety of standard and proprietary communications and instrumentation products. Communications products are used in satellite earth stations, cable television receiving and distribution systems, wireless home security systems and energy management systems. Communications products include antennas, receivers, transmitters and related electronic equipment. The Company's instrumentation products are used by a wide range of industrial and military customers to electronically test, measure and help control various equipment and processes. Instrumentation products consist of spectrum analyzers and systems, instruments to test and measure the quality and performance of various types of telecommunications equipment, antenna test and measurement products, telementry products, and cabinets and enclosures.

Subsidiaries:

Digital Video Systems Corp.
Toronto, Canada

Scientific-Altanta GmbH
Munich, West Germany

Scientific-Atlanta Ltd.
Horton, Slough, England

Scientific-Atlanta (Canada), Ltd.
Mississauga, Ontario, Canada

Scientific-Atlanta S.A.
Montesson (Paris), France

Optima Enclosures, Ltd.
East Lothian, Great Britain

Scientific-Atlanta (Italy) S.p.A.
Rome, Italy

Systems Communications Cable Incorporated
Phoenix, Arizona
Manufactures coaxial cable.

Transfer Agent(s):

The Citizens & Southern National Bank
P.O. Box 105555
Atlanta, Georgia 30399

Stock Exchange(s): New York

Ticker Symbol: SFA

Number of Employees:

1984	4,403	1981	5,223
1983	4,805	1980	4,000
1982	4,951		

Plant Footage:

1984	1,467,000 sq. ft.	1981	1,469,000
1983	1,360,000	1980	1,441,000
1982	1,394,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 398,861,000	$ 11,776,000
1983	326,567,000	370,000
1982	337,223,000	14,152,000
1981	277,292,000	19,005,000
1980	191,997,000	12,721,000

	No. of Com. Shares †	Earn. per Share ‡‡
1984	24,086,073	$ 0.50
1983	24,014,681	0.02
1982	23,405,641	0.63
1981	21,265,197	0.90
1980	10,388,576	0.65

‡‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
† Adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.12	—	—
1983	0.12	—	—
1982	0.115	—	—
1981	0.085	—	2-for-1
1980	0.058	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 174,067,000	$ 7.23
1983	177,278,000	7.38
1982	173,449,000	7.41
1981	109,767,000	5.16
1980	86,341,000	8.61

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 398,861	$ 326,567
Cost of sales	290,870	246,224
Expenses	94,082	85,734
Other income	(2,992)	(3,707)
Interest expense	2,496	2,406
Income (loss) bef. taxes	$ 14,405	$ (4,090)
Income taxes (credit)	2,629	(4,460)
Net Income	$ 11,776	$ 370

* Included in Costs and Expenses, Depreciation: $10,120,000 in 1984 and $8,217,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash	$ 13,635	$ 32,375
Receivables, net	89,376	81,863
*Inventories	86,472	81,770
Income taxes recov.	1,629	4,117
Current Assets	$ 191,112	$ 200,125
#Fixed assets	48,976	47,712
Other assets	18,662	19,939
Total Assets	$ 258,750	$ 267,776

Liabilities
(000's)

Short-term debt & long-term debt, curr.	$ 4,795	$ 6,949
Accts. payable	29,780	32,516
Accruals	24,533	21,853
Income taxes	1,965	3,645
Curr. Liabilities	$ 61,073	$ 64,963
Long-term debt	7,860	11,122
Deferred inc. taxes	12,104	12,819
Other liabilities	3,646	1,594
+ Common stock	12,043	12,007
Add. paid-in capital	112,050	110,622
Retained earnings	63,701	55,450
Treasury stock	(1,268)	(801)
Total Liabilities & Shareholders' Equity	$ 258,750	$ 267,776

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.61	—
%Net Income to Sales	2.95	0.11
%Net Income to Equity	6.77	0.21
Sales to Inventories	4.61	3.99
Working Capital	$130,039,000	$135,162,000
Current Ratio	3.13	3.08
Shareholders' Equity	$174,067,000	$177,278,000

Scintrex Limited

222 Snidercroft Road
Concord, Ontario, Canada L4K 1B5
(416) 669-2280

Officers: Harold O. Seigel, president; Gerald Stork, sr. v.p.; Jon G. Baird, sr. v.p.; Anthony W. Howland-Rose, v.p.; Alfred J. Shaul, secretary.

Directors: Harold O. Seigel, Alfred J. Shaul, Gerald Stork, Jon G. Baird, Harold I. Schiff, J. Denis Whitaker, Charles N.G. Hobbs, Marilyn M. Seigel, John Patrick Sheridan.

Areas of Work: Scintrex Limited is a diversified high technology company specializing in supplying geophysical/geochemical exploration equipment, technology and survey contracting services to the mining industry. Products include control and health physics instrumentation, atomic absorption spectrophotometers, high sensitivity magnetometers, and a wide range of analytical instruments.

Subsidiaries:

Scintrex Pty. Ltd.
1031 Wellington Street
West Perth, Australia 6005

6 Tramore Place
Killarney Heights
N.S.W., Australia 2087

Scintrex, Inc.
1973 West North Temple
Salt Lake City, Utah 84116
(801) 532-2447

Transfer Agent(s):

The Canada Trust Company

Stock Exchange(s): Toronto

Ticker Symbol: SCT

Number of Employees:

1984	215	1981	225
1983	200	1980	185
1982	200		

Plant Footage:

1984	46,000 sq. ft.	1981	46,000
1983	46,000	1980	46,000
1982	46,000		

Sales and Earnings

	Net Sales	Net Income
1985	$ 10,534,000	$ 286,000
1984	9,622,692	505,754
1983	9,117,215	(111,857)
1982	14,811,585	1,003,090
1981	12,505,468	547,628

	No. of Com. Shares ‡	Earn. per Share ‡
1985	1,082,165	$ 0.25
1984	1,068,856	0.45
1983	1,048,807	—
1982	932,360	1.05
1981	888,553	0.59

(Loss)
‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1985	$ 7,338,000	$ 6.78
1984	7,130,059	6.67
1983	6,438,731	6.14
1982	6,579,411	7.06
1981	4,205,478	4.73

‡ After allowing for preferred stock at par value.
† Based on the weighted average number of common shares outstanding.

Income Account

Year ended Jan. 31	1985	1984
Net sales	$ 10,534,000	$ 9,672,692
Cost of sales & expenses	8,638,000	7,858,410
Expenses	955,000	558,040
Depreciation & amortization	487,000	526,677
Interest expense	34,000	66,607
Income before taxes	$ 420,000	$ 612,958
Income taxes	136,000	156,000
Eq. in earnings of Unisearch	(2,000)	(48,796)
Net Income	$ 286,000	$ 505,754

Assets

As of Jan. 31	1985	1984
Cash	$ 2,254,000	$ 1,525,774
Accts. receiv., net	1,906,000	1,674,843

Scintrex Limited

*Inventories	3,508,000	2,941,288
Prepaid expenses	15,000	29,412
Income taxes recoverable	166,000	—
Current Assets	$ 7,849,000	$ 6,171,317
#Fixed assets	2,508,000	2,544,624
Other assets	376,000	89,614
Total Assets	$ 10,733,000	$ 8,805,555

Liabilities

Bank indebtedness	$ 1,301,000	$ 113,590
Accts. payable & accruals	1,473,000	1,019,486
Income taxes	103,000	74,920
Curr. Liabilities	$ 2,877,000	$ 1,207,996
Deferred inc. taxes	190,000	140,000
+ Preferred stock	327,000	327,500
+ + Common stock	3,048,000	3,000,346
Add paid-in capital	19,000	18,902
Retained earnings	4,396,000	4,129,494
For. exc. trans.	(73,000)	—
Treasury stock	(51,000)	(18,683)
Total Liabilities & Shareholders' Equity	$ 10,733,000	$ 8,805,555

* At lower of cost (FIFO) and net realizable value.
# Less accumulated depreciation.
+ $1 par value.
+ + No par value.

Statistical Summary

%Income bef. Taxes to Sales	3.99	6.37
%Net Income to Sales	2.72	5.26
%Net Income to Equity	3.73	6.78
Sales to Inventories	3.00	3.27
Working Capital	$4,972,000	$4,963,321
Current Ratio	2.73	5.11
Shareholders' Equity	$7,666,000	$7,457,559

SCM Corporation

299 Park Avenue
New York, New York 10171
(212) 752-2700

Officers: Paul H. Elicker, president & chairman; George E. Hall, sr. v.p.-adm.; D. George Harris, v.p. & pres.-SCM Chemicals Division; G. Lee Thompson, v.p. & pres.-Consumer Products Div.; William V. Cawley, v.p. & treasurer; Herbert H. Egli, v.p.-finance; Richard Sexton, v.p., general counsel & secretary; Frank G. Hubbard, v.p.; John S. Dumble, v.p. and pres.-Glidden Coatings & Resins Div.; Ernest J. Klimczak, v.p. & pres.-Allied Paper, Inc.; Thomas DeFazio, v.p. & controller; James Balph, Victor E. Feuerherd, Gerard F. Stoddard, v.p.'s.

Directors: Robert O. Bass*, John T. Booth, Paul H. Elicker*, George E. Hall*, E. Everett Smith, Robert P. Bauman, Crocker Nevin*, Charles W. Parry*, Thomas G. Pownall, David W. Wallace*, Richard R. West.

* Member of the Executive Committee.

Areas of Work: Manufactures products which are sold in consumer, industrial and office markets. Consumer products include Smith-Corona typewriters, Glidden paints, and Durkee Foods. Industrial products include chemical coatings, industrial and institutional foods, pigments and colors, metal powders, pulp and paper, organic chemicals, ceramic frits, industrial dryers and industrial processing equipment. Office products include typewriters, business forms and stationery, and telecommunications equipment for military and commercial users.

Divisions:

Consumer Products Division
299 Park Avenue
New York, New York 10171
(212) 752-2700

Glidden Coatings and Resins Division
900 Union Commerce Building
Cleveland, Ohio 44115
(216) 771-5121

Kleinschmidt Division
Lake Cook Road
Deerfield, Illinois 60015
(312) 945-1000

Allied Paper Division
1608 Lake Street
Kalamazoo, Michigan 49003
(616) 345-7131

SCM Chemicals Division
New York, New York

Durkee Foods Division
Cleveland, Ohio

Transfer Agent(s):

Bradford Trust Company
67 Broad Street
New York, New York 10004

Stock Exchange(s): New York, Pacific

Ticker Symbol: SCM

Number of Employees:

1984	20,900	1981	27,600
1983	24,500	1980	27,400
1982	25,500		

Plant Footage:

1984	10,000,000 sq ft.	1983	9,100,000

Sales and Earnings

	Net Sales +	Net Income
1984	$1,963,200,000	$ 41,669,000
1983	1,663,000,000	24,454,000
1982	1,703,100,000	28,725,000
1981	1,760,800,000	56,511,000
1980	1,744,700,000	53,861,000

	No. of Com. Shares	Earn. per Share #
1984	9,757,000	$ 4.24
1983	9,597,000	2.55
1982	9,469,000	3.01
1981	9,466,000	5.80
1980	9,588,000	5.55

+ Of continuing operations only.
# Based on the weighted average number of shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Coatings & resins	$ 654,628	$ 575,775
Typewriters	198,537	164,269
Foods	393,252	354,849
Chemicals	360,704	250,639
Paper products	351,709	315,943
Other	39,027	34,504
Eliminations	(34,632)	(32,933)
Total	$ 1,963,225	$ 1,663,046

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.00	—	—
1983	2.00	—	—
1982	2.00	—	—
1981	1.85	—	—
1980	1.425	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 529,662,000	$ 54.29
1983	505,671,000	52.69
1982	499,166,000	52.72
1981	489,038,000	51.66
1980	455,345,000	47.49

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 1,963,225	$ 1,663,046
Cost of sales	1,444,608	1,198,421
Expenses	429,116	402,838
Interest expense	29,202	29,010
Other income	(4,473)	(5,081)
Income before taxes	$ 64,772	$ 37,858
Income taxes	23,103	11,535
Inc. - cont. oper.	$ 41,669	$ 26,323
Loss - discont. oper.	—	(1,869)
Net Income	$ 41,669	$ 24,454

* Included in Costs and Expenses, Depreciation: $46,159,000 in 1984 and $47,094,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash	$ 3,921	$ 10,045
Marketable securities	47,327	44,414
Accts. receiv., net	268,319	230,053
*Inventories	346,817	329,203
Prepaid exp. & deferred taxes	19,910	22,092
Assets of discont. oper.	—	48,384
Current Assets	$ 686,294	$ 684,191
#Fixed assets	449,637	406,421
Other assets	23,397	22,066
Total Assets	$ 1,159,328	$ 1,112,678

Liabilities
(000's)

Loans payable	$ 18,792	$ 25,418
Long-term debt, curr.	13,123	8,036
Accts. payable	131,050	105,899
Accruals	114,832	109,331
Income taxes	882	5,733
Curr. Liabilities	$ 278,679	$ 254,417
Long-term debt	261,343	276,798
Other liabilities	22,038	22,332
Deferred inc. taxes	67,606	53,460
+ Common stock	49,482	49,079
Add. paid-in capital	121,351	119,638
Retained earnings	367,086	344,851
For. curr. trans. adj.	(2,098)	(1,414)
Unamortized restricted stock	(2,048)	—
Treasury stock	(4,111)	(6,483)
Total Liabilities & Shareholders' Equity	$ 1,159,328	$ 1,112,678

* At lower of average cost or market, all domestic inventories are at LIFO.
# Less accumulated depreciation.
+ $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.30	—
%Net Income to Sales	2.12	—
%Net Income to Equity	7.87	4.84
Sales to Inventories	5.66	5.05
Working Capital	$407,615,000	$429,774,000
Current Ratio	2.46	2.69
Shareholders' Equity	$529,662,000	$505,671,000

SCOPE Incorporated

1860 Michael Faraday Drive
Reston, Virginia 22090
(703) 471-5600

Officers: William C. Schaub, chairman of the board; Edward C. Driese, president, chief exec. officer & treasurer; Tony R. Gallardo, v.p.-operations & secretary; Carl N. Kelly, v.p.-corporate business development.

Directors: William C. Schaub, chairman; Robert B. Hirsch, Joseph A. Hohos, Edward C. Driese, Herman B. McManaway, Kenneth M. Miller, Randolph K. Pace.

Areas of Work: Operates principally in three industry segments of business: distribution systems, communications equipment and information systems. Operations in distribution systems involve the production and sale of electronic weight-measurement equipment employed in material handling, warehousing, packaging and manufacturing; computerized order entry and order processing systems; and material-handling conveyor systems. Operations in communications involve the production and sale of land-mobile industrial radios and data collection terminals. Operations information systems and federal defense, principally involve federal defense contracts.

Transfer Agent(s):

Sovron Bank, N.A.
Corporate Trust Department
P.O. Box 26904
Richmond, Virginia 23261

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SCPE (NASDAQ)

Sales and Earnings

	Net Sales ‡	Net Income †
1984	$ 14,204,975	$ 241,941
1983	10,973,218	246,342
1982	10,719,452	(666,516)
1981	11,241,721	(1,968,715)
1980	8,836,910	2,498,480

	No. of Com. Shares	Earn. per Share #†
1984	1,215,642	$ 0.20
1983	1,215,642	0.20
1982	1,215,642	—
1981	1,125,642	—
1980	1,215,642	2.06

(Loss)
‡ Includes contract income; of continuing operations only.
† Including extraordinary gains of $146,880 ($0.12 per share) in 1983 and $168,800 ($0.14 per share) in 1982.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.30	—	—
1981	0.60	—	—
1980	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 4,143,834	$ 3.41
1983	3,901,893	3.21
1982	3,666,199	3.02
1981	22,795,245	18.75
1980	24,019,349	19.76

Income Account *

Year ended Dec. 31	1984	1983
Net sales & other income	$ 14,204,975	$ 10,973,218
Cost of sales	9,875,934	8,356,779
Expenses	2,476,250	1,843,417
Depreciation and amortization	490,093	408,410
Res. & develop.	1,013,379	577,757
Interest expense	97,633	238,190
Invest. income	(5,585)	(99,211)
Gain on market secur.	—	(403,030)
Other income	(5,675)	(19,296)
Income before taxes	$ 262,946	$ 70,202
Income taxes (credit)	21,005	(29,260)
Net Income	$ 241,941	$ 99,462
Extraord. gain	—	146,880
Net Income & extraord. gain	$ 241,941	$ 246,342

Assets

As of Dec. 31	1984	1983
Cash	$ 149,327	$ 410,767
Receiv., net	3,549,510	2,884,311
Refundable taxes	—	178,683
*Inventories	1,576,167	1,088,991
Prepaid expenses	63,498	66,508
Current Assets	$ 5,338,502	$ 4,629,260
#Fixed assets	2,385,352	2,351,129
Deferred inc. taxes	16,718	7,088
Total Assets	$ 7,740,572	$ 6,987,477

Liabilities

	1984	1983
Notes payable	$ 200,000	$ —
Long-term debt, curr.	76,835	69,050
Accounts payable	832,020	455,643
Accruals	850,147	874,247
Cust. deposits	383,000	383,000
Income taxes	43,419	—
Curr. Liabilities	$ 2,385,421	$ 1,781,940
Long-term debt	1,016,434	1,093,269
Deferred comp.	194,883	210,375
+ Common stock	1,252,912	1,252,912
Add. paid-in capital	2,803,165	2,803,165
Retained earnings	484,802	242,861
Treasury stock	(397,045)	(397,045)
Total Liabilities & Shareholders' Equity	$ 7,740,572	$ 6,987,477

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	1.85	0.64
%Net Income to Sales	1.70	0.91
%Net Income to Equity	5.84	2.55
Working Capital	$2,953,081	$2,847,320
Current Ratio	2.24	2.60
Shareholders' Equity	$4,143,834	$3,901,893

Semicon, Inc.

15 New England Executive Park
Burlington, Massachusetts 01803
(617) 229-6290

Officers: Rolland V. Robison, president; Robert E. House, exec. v.p.; Richard C. Allard, treasurer & v.p.-finance; Norman E. DeVolder, president-Semicon Semiconductor Division; Thomas L. Arena, president-Microfab, Inc.; Walter M. Petrosky, president-ST-Semicon, Inc.

Directors: Robert E. House, Rolland V. Robison, Charles T. Russell, Jr., Mary E. Weber, Bruce W. Everett.

Areas of Work: Engaged in the manufacture and sale of semiconductor devices such as zener diodes, high voltage diodes and rectifiers, primarily to the television, industrial, commercial, telephone, military, computer and automotive industries. Also manufactures printed circuit boards and semiconductor test devices.

Divisions and Subsidiaries:

Microfab, Inc.
Amesbury, Massachusetts
(617) 388-3600

Semicon Semiconductor Division
Burlington, Massachusetts
(617) 272-9015

Semidyne, Inc.
Burlington, Massachusetts
(617) 272-9015

Semicon Ventures, Inc.
Burlington, Massachusetts
(617) 229-6290

ST-Semicon, Inc.
Bloomington, Indiana
(812) 332-1435

Semetex Corp. (10% owned)
Torrance, California
Research and development of semiconductors

Nucon Holdings, Inc. (19% owned)
Boston, Massachusetts
A venture capital company

Transfer Agent(s):

Continental Stock Transfer and Trust Co.
(common stock)
72 Reade Street
New York, New York 10007

Fleet National Bank
(convertible debentures)
111 Westminster Street
Providence, Rhode Island 02903

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SEME (NASDAQ)

Number of Employees:

1984	781	1981	576
1983	585	1980	561
1982	577		

Plant Footage:

1984	N.A.	1981	159,000
1983	183,000 sq. ft.	1980	158,000
1982	183,000		

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 36,477,000	$ 3,015,000
1983	25,122,000	960,000
1982	24,514,000	315,000
1981	23,780,000	789,000
1980	23,146,000	1,213,000

	No. of Com. Shares #	Earn. per Share #
1984	3,567,000	$ 0.97
1983	2,812,000	0.34
1982	2,836,000	0.11
1981	2,911,000	0.27
1980	2,917,000	0.42

Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 9,033,000	$ 3.13
1983	5,364,000	1.90

1982	4,316,000	1.54
1981	4,458,000	1.53
1980	3,857,000	1.32

† Adjusted to reflect stock split.

Income Account *

Year ended June 30		1984		1983
Net sales	$	36,477,000	$	25,122,000
Other income		2,168,000		951,000
Total income	$	38,645,000	$	26,073,000
Cost of sales		26,950,000		19,339,000
Expenses		5,320,000		4,178,000
Interest & debt expense		1,086,000		1,273,000
Income before taxes	$	5,289,000	$	1,283,000
Income taxes		2,247,000		323,000
Net Income	$	3,015,000	$	960,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,106,000 in 1984 and $964,000 in 1983.

Assets

As of June 30		1984		1983
Cash	$	705,000	$	1,420,000
Accts. receiv., net		7,059,000		4,370,000
*Inventories		7,110,000		5,775,000
Prepaid expenses		422,000		267,000
Current assets	$	15,296,000	$	11,832,000
#Fixed assets		8,268,000		6,422,000
Other assets		1,223,000		1,258,000
Total Assets	$	24,787,000	$	$19,512,000

Liabilities

		1984		1983
Notes payable	$	398,000	$	525,000
Long-term debt, curr		345,000		340,000
Accts. payable		3,754,000		2,290,000
Accrued payroll		994,000		531,000
Accrued interest		405,000		455,000
Income taxes		906,000		120,000
Curr. Liabilities	$	6,802,000	$	4,261,000
Long-term debt		7,975,000		9,235,000
Deferred inc. taxes		977,000		652,000
+ Common stock		781,000		756,000
Add. paid-in capital		1,108,000		273,000
Retained earnings		8,508,000		5,493,000
Treasury stock		(1,347,000)		(1,101,000)
Unearned compensation		(17,000)		(57,000)
Total Liabilities & Shareholders' Equity	$	24,787,000	$	19,512,000

* At lower of estimated cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	14.50	5.11
%Net Income to Sales	8.27	3.82
%Net Income to Equity	33.38	17.90
Sales to Inventories	5.13	4.35
Working Capital	$8,494,000	$7,571,000
Current Ratio	2.25	2.78
Shareholders' Equity	$9,033,000	$5,364,000

Semtech Corporation

652 Mitchell Road
Newbury Park, California 91320
(805) 498-2111

Officers: Sidney A. Wales, president, chief executive officer and treasurer; Gustav H.D. Franzen, executive vice president; Alan Gateka, v.p.-engineering; John F. Gaffney, controller and secretary.

Directors: Joseph S. O'Flaherty, J. Spencer Letts, Gustav H.D. Franzen, Thomas L. Kempner, William B. Krause, Harold Joseph Smead, Sidney A. Wales.

Areas of Work: Manufactures discrete silicon rectifiers, standard and special arrays, and submarine and standard rectifiers.

Subsidiaries:

Semtech Ltd.
Whitehall Industrial Estate
Glenrothes, Fife, Scotland
Glenrothes 773520

Transfer Agent(s):

First Interstate Bank
707 Wilshire Boulevard
Los Angeles, California 90017

Stock Exchange(s): American

Ticker Symbol: SMH

Sales and Earnings

		Net Sales		Net Income †
1985	$	10,949,000	$	(3,971,000)
1984		11,414,000		(668,000)
1983		11,695,000		(113,000)
1982		13,810,000		(36,000)
1981		15,098,000		160,000

	No. of Com. Shares		Earn. per Share ‡†
1985	1,831,490	$	—
1984	1,831,490		—
1983	1,778,671		—
1982	1,727,359		—
1981	1,667,580		0.09

(Loss) -
† Including extraordinary gain of $37,000 ($0.02 per share) in 1983.
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$ —	—	—
1984	—	3%	—
1983	—	3%	—
1982	—	3%	—
1981	0.15	3%	—

Common Stock Equity

		Total Equity	Equity Per Share ‡
1985	$	5,625,000	$ 3.07
1984		9,754,000	5.33
1983		10,474,000	5.72
1982		10,670,000	5.82
1981		10,711,000	5.85

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended Jan. 31		1985		1984
Net sales	$	10,949,000	$	11,414,000
Cost of sales		9,954,000		8,370,000
Expenses		4,231,000		3,890,000
Write-down of fixed assets		390,000		64,000
Interest expense		49,000		64,000
Other expense (income)		51,000		(106,000)
For. curr-trans. loss		2,000		29,000
Loss before taxes	$	(3,728,000)	$	(885,000)
Income taxes (credit)		243,000		(217,000)
Net Loss	$	(3,971,000)	$	(668,000)

* Included in Costs and Expenses, Depreciation and Amortization: $430,000 in 1985 and $553,000 in 1984.

Assets

As of Jan. 31		1985		1984
Cash	$	115,000	$	893,000
Receiv., net		1,494,000		1,336,000
*Inventories		3,276,000		5,921,000
Prepaid expenses		81,000		32,000
Refundable taxes		13,000		60,000
Current Assets	$	4,979,000	$	8,242,000
#Fixed assets		2,596,000		3,290,000
Total Assets	$	7,575,000	$	11,532,000

Liabilities

		1985		1984
Notes payable	$	382,000	$	130,000
Cap. lease oblig., curr		71,000		87,000
Accts. payable		549,000		388,000
Accruals		738,000		745,000
Curr. Liabilities	$	1,740,000	$	1,350,000
Cap. lease oblig.		78,000		271,000
Deferred inc. taxes		132,000		157,000
+ Common stock		34,000		34,000
Add. paid-in capital		5,221,000		5,221,000
Retained earnings		655,000		4,626,000
Currency translation adj		(285,000)		(127,000)
Total Liabilities & Shareholders' Equity	$	7,575,000	$	11,532,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1985	1984
Sales to Inventories	3.34	1.93
Working Capital	$3,239,000	$6,892,000
Current Ratio	2.86	6.11
Shareholders' Equity	$5,625,000	$9,754,000

Sensormatic Electronics Corporation

1150 Broken Sound Parkway, N.W.
Boca Raton, Florida 33431
(305) 994-9700

Officers: Ronald G. Assaf, chairman of the board & president; James E. Lineberger, chairman of the executive committee; George M. Harbin, Jr., exec. v.p.; David R. Humble, vice president-future products; Leonard R. Barbato, vice president-finance & secretary; William G. Weider, v.p.-manufacturing; David F. Fowler, v.p.-engineering; Dennis C. Gillette, v.p.-sales; Albert R. Tate, Jr., v.p.-marketing; Thomes J. Dytko, v.p.-cust. engineering; Paul F. Manley, v.p.-administration & planning; Howard G. Sachs, v.p.-operations; Gerg Witter, v.p.-European operations.

Directors: Ronald G. Assaf, chairman; James E. Lineberger, Arthur G. Milnes, Jerome M. LeWine, Allen J. Dusault, Arthur S. Nicholas.

Areas of Work: Designs and manufactures electronic surveillance systems which consist of an electronic transmitter and coordinated receiver placed at the exits of stores and a supply of specially designed and sensitized tags.

Subsidiaries:

Senelco France S.A.
Rungis, France

Senelco (Benelux) S.A.
Avenue du Roi Albert 177
Bte 12
1080 Brussels
Belgium

Senelco Ges.m.b.H.
Telekygasse 4T5
A-1190 Wien
Linz, Austria

Senelco Italia S.r.1.
Via Cesare de Sesto 15
20123 Milan, Italy

Sensormatic de Puerto Rico
Pridco T-1236
State Road No. 125
Moca, Puerto Rico 00716

Senelco Netherlands B.V.
Sterrebaan 4
3606 E B Maarssen
Netherlands

Senelco Iberia S.A.
C/Velazquez
Madrid 6
Spain

Senelco A.G.
Im Rotel 10a
Postfach 442
CH-6301 Zug, Switzerland

Senelco GmbH
Broichhofstr. Strasse 289
4030 Ratingen 1/Dusseldorf
West Germany

Vista Tool & Aero, Inc.
4040 Clint Moore Road
Boca Raton, Florida 33432
(305) 994-0014

Transfer Agent(s):

Southeast Bank, N.A.
P.O. Box 013979
Miami, Florida 33101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SNSR (NASDAQ)

Number of Employees:

1984	N.A.	1981	809
1983	1,050	1980	811
1982	1,050		

Plant Footage:

1984	N.A.	1981	136,075
1983	136,075 sq. ft.	1980	85,000
1982	136,075		

N.A.-Not Available

Sales and Earnings

	Revenues	Net Income
1984	$ 93,638,000	$ 18,215,000
1983	86,087,000	22,903,000
1982	66,985,000	15,611,000
1981	50,718,000	10,178,000
1980	39,448,000	6,031,000

	No. of Com. Shares †	Earn. per Share ‡
1984	27,757,000	$ 0.65
1983	24,222,000	0.92
1982	23,590,230	0.67
1981	19,633,425	0.48
1980	18,701,082	0.31

† Adjusted to reflect stock splits.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.025	—	—
1983	0.045	—	3-for-2
1982	0.0367	—	2-for-1
1981	0.0267	—	—
1980	0.02	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 185,561,000	$ 6.69
1983	114,424,000	4.72
1982	84,458,000	3.58
1981	43,759,000	2.23
1980	32,700,000	1.75

† Adjusted to reflect stock splits.

Income Acount

Year ended May 31	1984	1983
Revenues	$ 93,638,000	$ 86,087,000
Cost of sales	29,733,000	20,364,000
Expenses	37,878,000	29,472,000
Depreciation	4,205,000	4,626,000
Int. income	(4,984,000)	(7,996,000)
Int. expense	1,238,000	6,053,000
Amortization	348,000	445,000
Income before taxes	$ 25,220,000	$ 33,123,000
Income taxes	7,005,000	10,220,000
Net Income	$ 18,215,000	$ 22,903,000

Assets

As of May 31	1984	1983
Cash	$ 47,456,000	$ 62,277,000
Accts. receiv., net	107,829,000	83,544,000
#Fixed assets	75,251,000	57,926,000
Investments	4,544,000	—
Deferred charges & other assets	6,239,000	4,296,000
Total Assets	$ 241,319,000	$ 208,043,000

Liabilities

	1984	1983
Notes payable	$ 18,025,000	$ 10,136,000
Accts. payable	4,828,000	3,565,000
Accruals	12,515,000	14,618,000
Income taxes	4,147,000	4,676,000
Deferred income taxes	16,243,000	10,836,000
Conv. sub. deb. 10%	—	49,788,000
+ Common stock	277,000	242,000
Add. paid-in capital	119,456,000	63,304,000
Retained earnings	74,232,000	55,913,000
Foreign curr. trans.	(1,919,000)	(1,536,000)
Treasury stock -	(6,485,000)	(3,499,000)
Total Liabilities & Shareholders' Equity	$ 241,319,000	$ 208,043,000

Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Revenues	26.93	38.48
%Net Income to Revenues	19.45	26.60
%Net Income to Equity	9.82	20.02
Shareholders' Equity	$185,561,000	$114,424,000

Servo Corporation of America

111 New South Road
Hicksville, New York 11802
(516) 938-9700

Officers: Henry Blackstone, chairman of the board; Stephen A. Barre, president; Walter O. Stanton, general v.p.; Louis A. Gallina, sr. v.p.-operations; Walter W. Weeden, Jr., sr. v.p.-transportation products; Edward V. Mollichelli, sr. v.p.-electronic system programs; Walter W. Weeden, Jr., sr. v.p.-transportation products; Joseph E. Bambara, v.p.-transportation engrg.; Joel C. Tate, v.p.-infrared electro-optics products; Charles G. Jones, controller; Edgar W. Tappen, Jr., treasurer; William L. Maher, secretary; Mildred H. Drasser, asst. secretary; Robert J. Stalzer, v.p.-administration.

Directors: Henry Blackstone, chairman; Stephen A. Barre, George S. Lufkin, Floyd A. Lyon, Walter O. Stanton, Emil N. Block.

Areas of Work: Engaged in the design and manufacture of infrared/electro-optics components such as infrared detectors, lens assemblies for spacecraft; direction finder systems used in aviation air traffic control operations; meterological systems; microwave amplifiers, signal generators; devices employed to monitor and locate dangerous axle conditions on moving rail cars; automatic railroad car identification systems.

Subsidiaries:

Servo International Sales Corporation (DISC)
Hicksville, New York

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): American

Ticker Symbol: SCA

Sales and Earnings

	Net Sales	Net Income
1984	$ 12,547,151	$ 83,084
1983	15,966,467	418,595
1982	14,751,838	436,562
1981	14,007,118	372,838
1980	10,257,219	371,820

	No. of Com. Shares	Earn. per Share ‡
1984	665,071	$ 0.12
1983	651,521	0.58
1982	640,621	0.64
1981	636,121	0.57
1980	626,938	0.58

‡ Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 5,538,479	$ 8.33
1983	5,410,653	8.30
1982	4,947,636	7.72
1981	4,493,633	7.06
1980	4,080,757	6.52

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 12,547,151	$ 15,966,467
Cost of sales	8,639,553	10,637,595
Expenses	4,054,708	5,077,048
Oper. profit (loss)	$ (147,110)	$ 251,824
Other income	340,484	133,031
Total	$ 193,374	$ 384,855
Interest expense	102,402	134,260
Income before taxes	$ 90,972	$ 250,595
Income taxes (credit)	7,888	(168,000)
Net Income	$ 83,084	$ 418,595

* Included in Costs and Expenses, Depreciation and Amortization: $337,258 in 1984 and $320,330 in 1983.

Assets

As of Oct. 31	1984	1983
Cash and cash equiv.	$ 4,529,137	$ 3,161,940
Accts. receiv., net	2,270,474	1,679,007
*Inventories	2,623,353	2,856,252
Prepaid expenses	25,377	67,656
Prepaid taxes	—	191,480
Deferred tax benefits	18,000	—
Current Assets	$ 9,466,341	$ 7,956,335
#Fixed assets	1,133,944	1,374,840
Other assets	327,090	468,093
Deferred tax benefits	291,000	168,000
Long-term investment	30,579	30,579
Total Assets	$ 11,248,954	$ 9,997,847

Liabilities

Long-term debt, curr.	$ 24,844	$ 173,099
Accts. payable	364,908	631,823
Accruals	765,664	760,808
Income taxes	141,188	—
Excess amts. recv.- U.S. gov't. contracts	3,715,470	2,040,375
Advance payments	—	65,158
Curr. Liabilities	$ 5,012,074	$ 3,671,343
Long-term debt	346,401	525,122
Deferred comp.	352,000	390,729
+Common stock	665,071	651,521
Add. paid-in capital	935,410	904,218
Retained earnings	3,937,998	3,854,914
Total Liabilities & Shareholders' Equity	$ 11,248,954	$ 9,997,847

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.73	1.57
%Net Income to Sales	0.66	2.62
%Net Income to Equity	1.50	7.74
Sales to Inventories	4.78	5.59
Working Capital	$4,454,267	$4,284,992
Current Ratio	1.89	2.17
Shareholders' Equity	$5,538,479	$5,410,653

SFE Technologies

(formerly San Fernando Electric Manufacturing Company)

1501 First Street
San Fernando, California 91340
(818) 361-1176

Officers: Donald E. Rubendall, chairman of the board & chief exec. officer; Alan D. Rubendall, president & chief oper. officer; Jerome J. Jahn, v.p.-finance & secretary; Robert O. Roberg, v.p.-operations; Robert Rubendall, v.p.; Michael A. Rosenberg, v.p.-technology; Joseph L. Lucia, v.p.-marketing & sales; Robert W. Bronson, v.p.-manufacturing; Robert E. Rubendall, v.p.

Directors: Donald E. Rubendall, chairman; Robert O. Roberg, Alan D. Rubendall, Jerome J. Jahn, Michael A. Rosenberg, Oren Lane.

Areas of Work: Designs, manufactures and markets passive electronic components, including multi-layer ceramic capacitors and wound capacitors, quartz crystal frequency control devices, magnetic components and frequency/interference filters. The products are used in telecommunications, consumer electronics, data processing, automotive and aero-space applications. The company also designs and produces circuit assemblies utilizing surface mount technology (SMT) and thick-film hybrid micro-circuits.

Divisions:

Electro Dynamics
5625 Foxridge Drive
Shawnee Mission, Kansas 66201
(913) 262-2500
Quartz crystals.

San Fernando Electric Division
1501 First Street
San Fernando, California 91340
(818) 365-9411
Ceramic capacitors, EMI/RFI filters.

San Fernando Electric Division
4100 Michaud Boulevard
New Orleans, Louisiana 70129
(504) 254-5070
Ceramic capacitors.

Subsidiaries:

West-Cap Arizona
2201 East Elvira Road
P.O. Box 11277
Tucson, Arizona 85706
(602) 294-2646
Paper, film, metalized film capacitors.

West-Cap Sales International
1501 First Street
San Fernando, California 91340
(818) 365-9411

SFE Technologies Europe B.V.
Wiltonstraat 11-13
2722 NG Zoetermeer
The Netherlands

West-Cap Arizona de Mexico S.A. de C.V.
Nogales, Sonora
Mexico

Orchard Electronics, Inc.
9280 Davidson Highway
Concord, North Carolina 28025
(704) 786-0100
Surface mount technology.

SFE Technologies GmbH
Postfach 1509
D-8540 Schwabach
West Germany
Thick film hybrid circuits.

Transfer Agent(s):

The Bank of California, N.A.
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SFEM (NASDAQ)

Number of Employees:

1984	2,900	1982	2,060
1983	2,373	1981	1,950

Plant Footage:

1984	434,000 sq. ft.	1981	310,000
1983	410,000	1980	245,000
1982	312,600		

Sales and Earnings

	Net Sales	Net Income
1984	$ 65,853,000	$ 3,764,000
1983	49,105,000	3,284,000
1982	49,315,000	3,924,000
1981	45,676,000	3,118,000
1980*	43,927,000	3,363,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	6,117,000	$ 0.62
1983	5,522,000	0.59
1982	5,191,000	0.76
1981	5,114,000	0.61
1980*	4,418,000	0.61

* 53 weeks.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.10	4%	—
1983	—	—	4-for-3
1982	—	5%	—
1981	—	10%	—
1980	—	—	3-for-2

+ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 47,990,000	$ 7.85
1983	43,973,000	7.96
1982	25,353,000	4.88
1981	21,417,000	4.19
1980	17,579,000	3.98

+ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 65,853,000	$ 49,105,000
Cost of sales	47,936,000	34,020,000
Expenses	14,264,000	9,539,000
Other income	(926,000)	(710,000)
Interest expense	1,088,000	537,000
Income before taxes	$ 3,491,000	$ 5,719,000
Income taxes (credit)	(273,000)	2,435,000
Net Income	$ 3,764,000	$ 3,284,000

* Included in Costs and Expenses, Depreciation and Amortization: $2,408,000 in 1984 and $1,988,000 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 546,000	$ 2,774,000
Market. secur.	6,785,000	6,532,000
Accts. receiv., net	9,100,000	7,018,000
Inc. taxes receiv.	2,205,000	—
*Inventories	29,876,000	22,110,000
Prepaid expenses	191,000	127,000
Current Assets	$ 48,703,000	$ 38,561,000
#Fixed assets	27,496,000	17,882,000
Construction funds held	10,155,000	6,039,000
Other assets	1,632,000	1,297,000
Total Assets	$ 87,986,000	$ 63,779,000

Liabilities

Long-term debt, curr.	$ 11,856,000	$ 771,000
Accts. payable	3,220,000	3,374,000
Other accrued expenses	2,389,000	1,895,000
Curr. Liabilities	$ 17,465,000	$ 6,040,000
Long-term debt	19,570,000	10,050,000
Cust. advance	405,000	825,000
Deferred inc. taxes	2,314,000	2,543,000
Deferred comp.	242,000	348,000
+Common stock	6,003,000	5,678,000
Add. paid-in capital	37,024,000	32,438,000
Retained earnings	4,963,000	5,857,000
Total Liabilities & Shareholders' Equity	$ 87,986,000	$ 63,779,000

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.30	11.65
%Net Income to Sales	5.72	6.69
%Net Income to Equity	7.84	7.47
Sales to Inventories	2.20	2.22
Working Capital	$31,238,000	$32,521,000
Current Ratio	2.79	6.38
Shareholders' Equity	$47,990,000	$43,973,000

Sheldahl, Inc.

Northfield, Minnesota 55057
(507) 663-8000

Officers: James S. Womack, president & chief executive officer; James H. Kessler, Jr., v.p.-finance & asst. secretary; Nancy D. Wood, v.p. & president-SDI; Richard J. Slater, sr. v.p.-business development; Julienne D. Sprint, v.p.-administration; Carl A. Edstrom, v.p.-flexible circuitry; Ronald M. Merritt, v.p.-graphic display systems; Patrick A. O'Malley, v.p.-sales; Lyle L. Pavlis, v.p.-operations; Roger D. Quam, v.p.-engineered products; James P. Smigie, v.p.-electronic materials; Edward L. Lundstrom, treasurer & controller; Gerald E. Magnuson, secretary.

Directors: Richard G. Brierley, Gerald E. Magnuson, John P. Robinson, Richard S. Wilcox, James S. Womack, Martin N. Kellogg.

Areas of Work: Provides technological services and manufacturing to customer specifications, manufactures electrical materials, flexible circuitry, electronic connectors and terminals.

Divisions and Subsidiaries:

Engineered Products

Provides technological contract operations and research for the government and industrial customers. Products include aerostats for telecommunications, a "padeye" system for transloading ships at sea, helicopter blade liners, special fabrications, tambour covers, splicing tapes, coated products, tapes and laminated, and vacuum metalized materials.

Electrical Materials
Flexible electrical materials are the "raw" materials from which flexible circuits are made. For the most part, they are laminates of metallic foils - commonly copper - bonded to a variety of dielectric substrates as well as coverlay materials to insulate the complete circuit. Both the electrical materials and coverlays are produced by Sheldahl in industrial size rolls, ready for conversion into flexible circuitry components.

Flexible Circuitry
Flexible circuits are preassembled "interconnect" products - generally free of defects and adaptable to a constantly growing number of applications. Because they are indeed flexible, they can conform to almost any configuration on multiple planes, while retaining their electrical/electronic function. Typical applications for flex circuits include telephones and communication switching equipment, computer memory storage systems, cameras, hand-held calculators, automobiles and medical instrumentation.

Graphic Display Systems
Sheldahl's FLEXSWITCH membrane switches make up the company's newest product line - for the membrane switch keyboard market. In composition, the FLEXSWITCH keyboard consists of a three-layer polyester film sandwich bonded together by means of a special Sheldahl proprietary adhesive. A flexible circuit, an integral part of the membrane switch, provides interconnection. Typical applications for FLEXSWITCH include electronic educational devices, control panels for washers and dryers, medical instrumentation control panels, automotive electronics and plain paper copiers.

Subsidiaries:

Sheldahl International, Inc
Northfield, Minnesota

Acquisition(s):

Symbolic Displays Inc
Irvine, California
Manufactures graphic displays and other products for the aviation industry and other markets.

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SHEL (NASDAQ)

Number of Employees:

1984	N.A.	1981	801
1983	N.A.	1980	801
1982	786		

Plant Footage:

1984	N.A.	1982	266,000 sq. ft.
1983	N.A.	1981	266,000

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 43,102,000	$ 3,017,091
1983	36,941,000	(418,280)
1982	37,853,000	1,905,132
1981	34,521,000	2,075,638
1980	28,483,000	1,298,180

	No. of Com. Shares	Earn. per Share #
1984	1,896,746	$ 1.59
1983	1,892,746	—
1982	1,892,746	1.01
1981	1,892,746	1.10
1980	1,824,946	0.70

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 17,287,001	$ 9.11
1983	14,242,910	7.52
1982	14,661,190	7.75
1981	12,756,058	6.74
1980	10,382,620	5.69

Income Account *

Year ended August 31	1984	1983
Net sales	$ 43,102,002	$ 36,940,650
Cost of sales	32,485,227	31,001,085
Expenses	6,576,141	6,473,083
Interest expense	473,543	704,762
Income (loss) bef. taxes	$ 3,567,091	$ (1,238,280)
Income taxes (credit)	550,000	(820,000)
Net Income (Loss)	$ 3,017,091	$ (418,280)

* Included in Costs and Expenses, Depreciation: 1,578,124 in 1984 and $1,717,416 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 422,511	$ 435,642
Accts. receiv., net	9,313,687	5,288,753
Tax refund receiv.	330,000	1,220,000
Notes receiv.	17,733	397,753
*Inventories	10,611,580	7,305,977
Tax benefits	385,000	378,000
Prepaid exp. & deposits	203,217	126,038
Current Assets	$ 21,283,728	$ 15,152,163
#Fixed assets	14,328,575	12,530,610
Notes receiv. & other assets	343,454	70,988
Total Assets	* $ 35,955,757	$ 27,753,761

Liabilities

Notes payable	$ 2,950,000	$ —
Long-term debt, curr.	484,547	681,179
Accts. payable	3,885,911	1,341,596
Accruals	2,494,434	1,822,862
Accrued payroll	1,607,758	1,705,464
Income taxes	97,854	255,950
Curr. Liabilities	$ 11,530,504	$ 5,807,051
Long-term debt	5,406,205	5,710,753
Deferred inc. taxes	1,742,047	1,993,047
+ Common stock	474,187	474,867
Add. paid-in capital	1,970,040	1,963,319
Retained earnings	14,842,774	11,825,683
Treasury stock	—	(20,959)
Total Liabilities & Shareholders' Equity	$ 35,955,757	$ 27,753,761

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Income before Taxes to Sales	8.28	—
%Net Income to Sales	7.00	—
%Net Income to Equity	17.45	—
Sales to Inventories	4.06	5.06
Working Capital	$ 9,763,224	$ 9,345,112
Current Ratio	1.85	2.61
Shareholders' Equity	$17,287,001	$14,242,910

Sheller-Globe Corporation

1505 Jefferson Avenue
P.O. Box 962
Toledo, Ohio, 43697
(419) 255-8840

Officers: Chester Devenow, chairman of the board & chief executive officer; David H. Cogan, vice chairman of the board; John R. Eastman, vice chairman & chief admin. officer; James A. Graham, president & chief operating officer; William H. Patterson, exec. v.p.-finance & treasurer; Sidney D. Jeffe, sr. v.p.-operations; Stanley Berlinghoff, v.p.-manufacturing services; Alfred H. Grava, exec. v.p.-automotive & light truck sector; John L. Bradley, v.p.-human resources & administrative services; Chester Gadzinski, v.p. & president - General Products Group; John C. Griffin, v.p.-customer relations; Ralph J. Hill, v.p. & controller; George A. Berry, v.p. & president - Electrical Group; Thomas G. Kress, v.p.-management information & telecommunications systems; John F. McCuen, v.p., secretary & general counsel; Irvin M. Zimet, v.p. & president - Office Products & Instrument Group; James F. Ferrella, Dale A. Cable, asst. treasurers; Lawrence E. King, asst. secretary.

Directors: Lawrence E. Brinn, James A. Graham*, David H. Cogan*, Chester Devenow*, John R. Eastman*, John C. Griffin*, Frank N. Ikard, Ellis B. Merry, William H. Patterson*, Howard M. Stein.

* Member of the Executive Committee

Areas of Work: Engaged in the manufacture of products for the original equipment and automotive service markets; sheet metal stampings and assemblies; office supplies; fractional horsepower D.C. motors and other types of motors; rubber and plastic products and assemblies; cold forged parts; non-ferrous stampings; fabricated foam products; radiation measuring instruments and systems; special purpose electronic components.

Divisions and Subsidiaries:

Electrical Group

Accurate Parts
1313 South Jay Street
Kokomo, Indiana 46901
Starter drives, solenoids and starter motor components for the automotive aftermarket.

Leece-Neville Small Motors Division
904 Billy Mitchell Boulevard
Brownsville, Texas 78520
Fractional horsepower D.C. motors for aftermarket or OEM application in air conditioners, heaters, defoggers and similar auto and truck equipment.

Leece-Neville Heavy Duty Electrical Division
1374 East 51st Street
Cleveland, Ohio 44103
Original equipment and replacement heavy duty alternators for trucks, buses, emergency vehicles and off-highway equipment.

Leece-Neville Gainesville
989 Athens Street, S.E.
Gainesville, Georgia 30501
Heavy-duty cranking motors and voltage regulators, AC motors for home appliances.

Victoreen, Inc.
10101 Woodland Avenue
Cleveland, Ohio 44104
Micro-processor based radiation detection instruments, nuclear monitoring systems and special purpose electronic components.

Victoreen Nuclear Associates
100 Voice Road
Carle Place, New York 11514
Radiation medical instruments and supplies, including products for nuclear medicine, diagnostic x-ray, ultrasound and radiation therapy.

Leece-Neville de Mexico S.A. de C.V.

Transfer Agent(s):

The Toledo Trust Company
Stock Transfer Department
245 N. Summit Street
Toledo, Ohio 43603

Stock Exchange(s): New York

Sheller-Globe Corporation

Ticker Symbol: SHG

Number of Employees:

1984	12,100	1981	9,000
1983	10,100	1980	10,000
1982	9,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 816,415,000	$ 34,826,000
1983	607,942,000	16,612,000
1982	500,171,000	14,102,000
1981	514,520,000	18,749,000
1980	452,552,000	(19,702,000)

	No. of Com. Shares #	Earn. per Share #
1984	9,199,787	$ 3.73
1983	8,069,485	1.93
1982	6,563,635	1.83
1981	6,265,082	2.64
1980	6,194,852	—

(Loss)
+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Automotive parts & assemblies	$ 688,782	$ 505,824
Office prods.	71,802	65,087
Other	55,831	37,031
Total	$ 816,415	$ 607,942

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.675	—	—
1983	0.525	—	—
1982	0.475	—	—
1981	0.325	—	—
1980	0.40	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1984	$ 193,337,000	$ 21.02
1983	188,531,000	23.36
1982	118,638,000	18.08
1981	101,184,000	16.15
1980	86,168,000	13.91

‡ After allowing for preferred stock at aggregate liquidating value.
+ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 816,415	$ 607,942
Other income	9,878	7,598
Total income	$ 826,293	$ 615,540
Cost of sales	681,633	514,050
Expenses	73,950	62,228
Minority interest	145	(6)
Interest expense	9,905	11,447
Income before taxes	$ 60,660	$ 27,821
Income taxes	25,834	11,209
Net Income	$ 34,826	$ 16,612

* Included in Costs and Expenses, Depreciation and Amortization: $15,888,000 in 1984 and $14,217,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & short-term invest.	$ 55,151	$ 98,906
Accts. receiv., net	118,130	99,438
*Inventories	111,294	90,561
Prepaid expenses	11,074	9,498
Current Assets	$ 295,649	$ 298,403
Investments & other assets	14,855	13,318
#Fixed assets	128,076	105,398
Total Assets	$ 438,580	$ 417,119

Liabilities
(000's)

	1984	1983
Notes payable	$ 848	$ 482
Long-term debt, curr.	8,102	7,652
Accts. payable	64,037	53,581
Inc. taxes payable	5,276	21
Accruals	42,644	36,312
Curr. Liabilities	$ 120,907	$ 98,048
Long-term debt	104,329	109,971
Minority interest	330	539
Deferred inc. taxes	9,780	9,623
+ Preferred stock:		
$1.40 Series	187	193
$3.00 Series	857	923
+ Common stock	8,364	9,379
Add. paid-in capital	50,978	70,665
Retained earnings	145,954	117,778
Marketable securities	(1,196)	—
Foreign curr. trans. adj.	(1,910)	—
Total Liabilities & Shareholders' Equity	$ 438,580	$ 417,119

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income before Taxes to Sales	7.43	4.58
%Net Income to Sales	4.27	2.78
%Net Income to Equity	17.14	8.35
Sales to Inventories	7.34	6.71
Working Capital	$174,742,000	$200,355,000
Current Ratio	2.45	3.04
Shareholders' Equity	$203,234,000	$198,938,000

SI Handling Systems, Inc.

P.O. Box 70
Easton, Pennsylvania 18042
(215) 252-7321

Officers: L. Jack Bradt, chairman of the board & chief executive officer; Leonard S. Yurkovic, president & chief operating officer; Robert J. Bergren, v.p.-administration; John L. DeRito, v.p.-finance; Edmund L. Mangan, v.p.-engineering; E. Jerome Brose, secretary.

Directors: John R. Boehringer, L. Jack Bradt, John G. Dorrance, Karl-Henry Bergkvist, James H. McDougall, Richard F. Schubert, Andrew S. Schultz, Jr., Leonard S. Yurkovic.

Areas of Work: Designs, manufactures, sells and installs mechanized and automated material handling and order selection systems under mechanical electronic and computer control in the United States, Canada and overseas.

Subsidiaries:

SI Handling Systems International Ltd.
Cayman Islands, B.W.I.

SI Handling Systems Europe N.V.
Brussels, Belgium

Ishikawajima SI Company Ltd. (50% owned)
Tokyo, Japan

SI Handling Systems GmbH
Bremen, Germany

Transfer Agent(s):

Registrar & Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SIHS (NASDAQ)

Number of Employees:

1985	238	1982	301
1984	300	1981	302
1983	240		

Plant Footage:

1985	172,000 sq. ft.	1982	142,000
1984	172,000	1981	142,000
1983	172,000		

Sales and Earnings

	Net Sales	Net Income
1985*	$ 23,309,000	$ 32,000
1984	19,248,000	(742,000)
1983	19,824,000	275,000
1982	32,148,000	1,146,000
1981	24,553,000	527,000

	No. of Com. Shares +	Earn. per Share ‡
1985*	1,491,119	$ 0.02
1984	1,501,705	—
1983	1,487,369	0.20
1982	1,047,002	0.85
1981	1,305,908	0.40

(Loss)
* 53 weeks.
+ Adjusted to reflect stock splits.
‡ Based on the weighted average number of common shares and common equivalent shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.10	—	—
1984	0.10	—	—
1983	0.10	—	—
1982	0.10	—	5-for-4 & 5-for-4
1981	0.10	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 7,812,000	$ 5.24
1984	8,149,000	5.43
1983	8,891,000	5.98
1982	6,454,000	6.16
1981	5,395,024	4.13

‡ Based on weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended	2/26/85	2/26/84
Net sales	$ 23,309,000	$ 19,248,000
Cost of sales	15,962,000	12,785,000
Expenses	6,995,000	6,802,000
Research & develop.	745,000	1,593,000
Prov. for doubt. accts.	—	(81,000)
Other income	468,000	(155,000)
Interest expense (income)	215,000	(49,000)
Loss bef. taxes	$ (1,076,000)	$ (1,647,000)
Tax credit	(451,000)	(905,000)
Net Loss	$ (625,000)	$ (742,000)

* Included in Costs and Expenses, Depreciation and Amortization: $906,000 in 1985 and $672,000 in 1984.

Assets

As of	2/26/85	2/26/84
Cash	$ 2,488,000	$ 2,306,000
Receiv., net	4,732,000	4,459,000
Costs in exc. of billings	2,104,000	1,599,000
*Inventories	4,024,000	4,307,000
Prepaid expenses	131,000	168,000
Current Assets	$ 13,479,000	$ 12,839,000
#Fixed assets	4,138,000	3,798,000
Deferred inc. taxes	655,000	747,000
Intangibles & other assets	331,000	390,000
Total Assets	$ 18,603,000	$ 17,774,000

Liabilities

	2/26/85	2/26/84
Loans payable	$ —	$ 111,000
Long-term debt, curr.	524,000	387,000
Accts. payable	2,073,000	2,162,000
Cust. deposits	2,259,000	1,679,000
Accrued payroll	1,331,000	1,171,000
Deferred inc. taxes	1,028,000	761,000
Curr. Liabilities	$ 7,215,000	$ 6,271,000
Long-term debt	3,539,000	3,327,000
Deferred compensation	37,000	27,000
+ Common stock	1,527,000	1,527,000
Add. paid-in capital	4,353,000	4,363,000
Retained earnings	2,370,000	2,496,000
Treasury stock	(245,000)	(150,000)
Curr. trans. adj.	(165,000)	(24,000)
Equity adj.	(28,000)	(63,000)
Total Liabilities & Shareholders' Equity	$ 18,603,000	$ 17,774,000

* At lower of cost (FIFO) or replacement market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	5.79	4.47
Working Capital	$6,264,000	$6,568,000
Current Ratio	1.87	2.05
Shareholders' Equity	$7,812,000	$8,149,000

Sierracin Corporation

12780 San Fernando Road
Sylmar, California 91342-3796
(818) 362-6802

Officers: Christoph Tribull, chairman of the board & chief executive officer; Peter K. Maeussnest, president & chief operating officer; Gary N. Patten, v.p.-finance & secretary; Patricia A. Sprouse, gen. counsel & asst. secretary; Joseph Gordon, president-Intrex Products Division; Terence Jacobsen, president-TransTech Division; Eldon Swanson, president-Thermal Systems Division; Hank Dixon, president-Sylmar Division; Jerry Kinsman, president-Harrison Division; Maurice Renard, president-Power Systems Division; James Romine, president-Magnedyne Division; David Knight, president-E.O.I. Division; Jan Olson, president-Transflex Div.

Directors: Christoph Tribull*, Walter E. Hinds*, Peter K. Maeussnest, Raimon Conlisk*, John Eastman, Kinhisa Mushakoji, Bernice Stevenson.

*Member of the Executive Committee.

Areas of Work: Manufactures and markets high-technology transparency products for the aerospace and electronics markets.

Divisions and Subsidiaries:

Thermal Systems Division
13920 South Broadway
Los Angeles, California 90061
(213) 321-4350

Designs and manufactures special purpose electrical heating components and systems as well as sensors and controllers for such diverse industries as communications and electronic equipment, business machines, aircraft, food handling and environmental control.

Harrison Division
3020 Empire Avenue
Burbank, California 91504
(213) 849-6581

Specializes in the design and manufacture of patented hydrualic components and seals for pneumatic fluid and nuclear power applications.

Magnedyne Division
5580 El Camino Real
Carlsbad, California 92008
(619) 438-3321

Manufactures precision servo motors and tachometers for aerospace and industrial applications.

Trans Tech Division
12780 San Fernando Road
Sylmar, California 91342
(213) 362-6811

Manufactures high-impact windshields for railroad locomotives, rapid transit vehicles, custom VIP vehicles and ships security glazing for architectural applications.

Transflex Division

Manufactures transparent touch panels and membrane switches to allow direct user interaction with displayed information.

Sylmar Division
12780 San Fernando Road
Sylmar, California 91342
(213) 362-6711

Engaged in the production of transparencies for aircraft.

Power Systems Division
20536 Plummer Street
Chatsworth, California 91311

Manufactures linear and switcher power supplies for computer peripheral and communications equipment, numerically controlled machine parts and other electronic equipment.

Intrex Products

Manufactures transparent membrane switches and coated film products.

EOI

Serves the semiconductor industry's demand for high precision, high quality photolithographic tooling and masks used in the process of fabricating solid state microelectronic devices.

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Stock Exchange(s): American

Ticker Symbol: SER

Number of Employees:

1984	1,450	1982	1,400
1983	1,450	1981	1,200

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 83,465,000	$ 4,504,000
1983	74,125,000	4,098,000
1982	69,105,000	1,019,000
1981	61,454,000	(1,124,000)
1980	61,044,000	3,370,000

	No. of Com. Shares +	Earn. per Share +
1984	3,553,000	$ 1.27
1983	3,672,000	1.12
1982	3,608,000	0.28
1981	3,598,000	—
1980	3,552,000	0.95

(Loss)
‡ Includes other income. Of continuing operations only.
+ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Aerospace prods.	$ 38,500,000	$ 34,962,000
Information processing products	23,183,000	19,553,000
Industrial/Commercial prods.	21,782,000	19,610,000
Total	$ 83,465,000	$ 74,125,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.40	—	—
1983	0.20	—	—
1982	—	—	—
1981	0.45	—	—
1980	0.225	—	2-for-1†

+ Adjusted to reflect stock split.
† In the form of a 100% stock dividend.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 18,466,000	$ 5.20
1983	17,929,000	4.88
1982	14,486,000	4.01
1981	13,467,000	3.73
1980	16,139,000	4.51

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 82,612	$ 73,251
Other income	853	874
Total income	$ 83,465	$ 74,125
Cost of sales	60,421	52,822
Expenses	15,337	12,514
Interest expense	1,154	1,240
Interest income	(23)	(256)
Income before taxes	$ 6,576	$ 7,805
Income taxes	2,072	3,707
Net Income	$ 4,504	$ 4,098

* Included in Costs and Expenses, Depreciation and Amortization: $2,693,000 in 1984 and $2,605,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cert. of dep.	$ 1,829	$ 603
Acct. receiv., net	14,184	12,407
*Inventories	12,852	10,919
Prepaid expenses	424	318
Recoverable inc. taxes	231	—
Current Assets	$ 29,520	$ 24,247
#Fixed assets	16,566	14,065
Other assets	1,058	1,531
Total Assets	$ 47,144	$ 39,843

Liabilities
(000's)

	1984	1983
Notes payable	$ 1,000	$ 500
Long-term debt, curr.	116	1,919
Accts. payable	6,112	5,181
Accruals	1,910	1,637
Accrued payroll	3,904	3,455
Income taxes	1,474	2,814
Curr. Liabilities	$ 14,516	$ 15,506
Long-term debt	12,432	4,544
Deferred inc. taxes	1,730	1,864
+ Common stock	3,646	3,631
Add. paid-in capital	424	324
Retained earnings	17,105	14,022
Treasury stock	(2,709)	(48)
Total Liabilities & Shareholders' Equity	$ 47,144	$ 39,843

* At lower of cost (primary LIFO) or market.
# Less accumulated depreciation & amortization.
+ $1 par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	7.96	10.66
% Net Income to Sales	5.45	5.59

Sierracin Corporation

%Net Income to Equity	24.39	22.86
Sales to Inventories	6.43	6.71
Working Capital	$15,004,000	$ 8,741,000
Current Ratio	2.03	1.56
Shareholders' Equity	$18,466,000	$17,929,000

The Signal Companies, Inc.

11255 North Torrey Pines Road
La Jolla, California 92037
(619) 457-3555

Officers: Forrest N. Shumway, chairman of the board & chief executive officer; Michael D. Dingman, president; Daniel W. Derbes, Paul M. Montrone, exec. v.p.'s; Gary M. Cypres, sr. v.p. & chief financial officer; Marc I. Stern, sr. v.p.-administration; Andrew J. Chitiea, sr. vice president; Brewster L. Arms, sr. vice president & general counsel; Charles S. Arledge, sr. v.p.; John R. Spencer, John W. Bold, Walter D. Sanborn, III, Ricardo R. Alvarado, B. David Freundlich, Paul X. Bouzan, vice presidents; Robert J. Runser, v.p. & controller; Evelyn M. Truitt, v.p. C. Neil Ash, vice president & secretary; David H. Skinner, v.p. & treasurer.

Directors: William E. Walkup*, Richard A. Lenon, Michael D. Dingman, Philip E. Beekman, John B. Connally, John C. van Eck, Albert E. Rising, Jr., Arthur Temple, Rawleigh Warner, Jr., F.N. Shumway*, H.H. Wetzel*, Clinton R. Stevenson*, Arch Monson, Jr., Edward J. Boling, Carla Anderson Hills, Henry G. Parks, Jr., Daniel W. Derbes, Ralph P. Davidson.

* Member of the Executive Committee.

Areas of Work: Engaged in the design and engineering of aerospace and industrial products. Other principal activities of the Company include real estate and land development.

Divisions and Subsidiaries:

Ampex Corporation
401 Broadway
Redwood City, California 94063
(415) 367-2011

Manufactures audio-video recording equipment, data memory equipment; manufactures blank audio-video tapes for professional and consumer applications.

The Garrett Corporation
9851 Sepulveda Boulevard
Los Angeles, California 90009
(213) 776-1010

Signal Landmark Properties, Inc.
17890 Skypark Circle
Irvine, California 92714
(714) 261-0360

Real estate development firm.

UOP Inc.
Ten UOP Plaza
Algonquin & Mt. Prospect Roads
Des Plaines, Illinois 60016
(312) 391-2000

Involved in petroleum and petrochemical services and related products, construction and fabricated metal products; designs and manufactures seats and accessory equipment for aircraft and instrumentation for nuclear power plants, equipment for air pollution control systems; produces separation systems for water purification, water conservation, water reclamation and chemical processes.

Kellogg Rust, Inc.
3 Greenway Plaza East
Houston, Texas 77046
(713) 960-2000

Signal Advanced Technology Group
11255 North Torrey Pines Road
La Jolla, California 92037
(619) 457-3555

Signal Engineered Products Group
Signal Capital Corporation
both at:
Liberty Lane
Hampton, New Hampshire 03842
(603) 926.5911

Wheelabrator-Frye Inc.
Liberty Lane
Hampton, New Hampshire 03842
(603) 926-5911

Designs, manufactures and markets engineering and construction services with respect to large scale, highly technical engineered systems which are integral to basic industrial processes, and in energy and environmental control fields; also manufactures engineered components, transportation equipment and chemical and specialty products.

Engineered systems include fabric-filter systems and electro-static precipitators for removing particulate pollution from gases; sulfur dioxide removal systems; permanently installed and portable nonpolluting abrasion systems for cleaning a variety of surfaces (Wheelabrators); metal processing and chemical processing systems; and parts and supplies relating to these products. Engineered components include industrial fans and blowers, cranes, material handling systems, precision and industrial bearings, high and low pressure for electrical generation, electronic and electro-mechanical components and devices for control applications, water and waste water treatments and processing equipment, fluid and gas measuring devices and other industrial products.

Engineering services include, through the M.W. Kellogg Co., Rust Engineering Co., the Swindell-Rust Division and Nichols Engineering and Research Corporation, the engineering and erection of process technologies and plants in the oil, gas, pulp and paper, nitrogen fertilizer, plastics and petrochemical industries. Energy systems include the development of systems to utilize alternative energy sources such as synthetic fuels and solid waste energy. Transportation equipment includes, through the Pullman Standard Division, the manufacture and leasing of railroad freight cars, and through Whiting Corporation, railroad switching prime movers and railroad maintenance equipment. Chemical and specialty products include urethane products, pigments, varnishes, dispersions and color flushes, resins, reproductions papers, computer ribbons and other products using the carbonizing process; and lithographic blankets and plates for the printing industry.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Pacific, Philadelphia

Ticker Symbol: SGN

Number of Employees:

1984	54,000	1981	45,000
1983	54,000	1980	47,000
1982	41,000		

Sales and Earnings

	Revenues † (000's)	Net Income (000's)
1984	$ 6,005,000	$ 285,000
1983	6,062,000	103,000
1982	3,631,000	113,200
1981	3,775,000	214,000
1980	3,201,000	175,900

	No. of Com. Shares *	Earn. per Share + †
1984	109,173,674	$ 2.50
1983	108,864,552	0.90
1982	72,038,719	1.56
1981	72,240,473	2.95
1980	71,695,718	2.42

† Of continuing operations only.
* Adjusted to reflect stock split.
+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Aerospace, elect. & instrumentation	$ 2,929,000	$ 2,662,000
Process tech. & serv.	489,000	577,000
Engineering & constr.	1,856,000	2,160,000
Other	754,000	745,000
Eliminations	(23,000)	(82,000)
Total	$ 6,005,000	$ 6,062,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.94	—	—
1983	0.90	—	—
1982	0.84	—	—
1981	0.78	—	—
1980	0.59	—	3-for-2

+ Adjusted to reflect stock split.

Common Stock Equity
(000's)

	Total Equity (000's)	Equity Per Share +
1984	$ 2,680,000‡	$ 24.55
1983	2,504,000‡	23.00
1982	1,694,500	23.52
1981	1,658,200	22.95
1980	1,492,900	20.82

+ Adjusted to reflect stock split.
‡ After allowing for preferred stock at involuntary liquidation values.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 6,005,000	$ 6,062,000
Cost of sales	4,831,000	5,130,000
Gross margin	$ 1,174,000	$ 932,000
Expenses	844,000	860,000
Interest expense (income)	(72,000)	12,000
Other income	(5,000)	(119,000)
Income before taxes	$ 407,000	$ 179,000
Income taxes	145,000	91,000
Eq. in inc. of unconsol. cos.	(39,000)	(25,000)
Inc.-cont. oper.	$ 301,000	$ 113,000
Loss-discont oper.	(16,000)	(10,000)
Net Income	$ 285,000	$ 103,000

* Included in Costs and Expenses, Depreciation and Amortization; $114,000,000 in 1984 and $107,000,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 1,178,000	$ 1,038,000
Accts. & notes receiv., net	831,000	820,000
*Inventories	1,011,000	922,000
Other curr. assets	92,000	122,000
Current Assets	$ 3,112,000	$ 2,902,000
Investments & receiv.	1,007,000	920,000
#Fixed assets	929,000	896,000
Other assets	463,000	466,000
Total Assets	$ 5,511,000	$ 5,184,000

Liabilities
(000's)

	1984	1983
Commercial paper	$ 150,000	$ —
Notes payable	40,000	61,000
Long-term debt, curr.	27,000	39,000
Accts. payable	305,000	287,000
Accruals	683,000	710,000
Income taxes	119,000	73,000
Adv. pay. on contracts	411,000	400,000
Current Liabilities	$ 1,735,000	$ 1,570,000
Long-term debt	347,000	297,000
Deferred inc. taxes	624,000	684,000
+ Series A pref. stock	85,000	85,000
+ + Series B pref. stock	27,000	31,000
+ + + Common stock	218,000	218,000
Add. paid-in capital	1,059,000	1,046,000
For. curr. trans. adj.	(41,000)	(36,000)
Retained earnings	1,457,000	1,289,000
Total Liabilities & Shareholders' Equity	$ 5,511,000	$ 5,184,000

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value, $4.125 dividend, convertible.
+ + $1 par value, $2 dividend, cum. convertible.
+ + + $2 par value.

Statistical Summary

%Net Income to Equity	10.16	3.91
Working Capital	$1,377,000	$1,332,000
Current Ratio	1.79	1.85
Shareholders' Equity	$2,805,000	$2,633,000

Silicon General, Inc.

11861 Western Avenue
Garden Grove, California 92641
(714) 892-5531

Officers: Q.T. Wiles, chief executive officer & chairman of the board; George Holmes, president; I.R. Reuling, secretary, treasurer, and chief financial officer; Robert L. Deinhammer, president-Semiconductor Group; Warren Perry, president-Functions Group; Ralph Brandt, v.p. & gen. mgr.-Semiconductor Group.

Directors: Q.T. Wiles, chairman; William R. Hambrecht, Daniel A. McMillan.

Areas of Work: Manufactures a series of electronic modules and linear integrated circuits.

Divisions:

Functions Group
940 Detroit Avenue
Concord, California 94518
(415) 686-6660
Produces operational amplifiers, function modules, conversion products and power supplies.

Semiconductor Group
11861 Western Avenue
Garden Grove, California 92641
(714) 898-8121

Subsidiaries:

Silicon General Caribbean, Inc.
Zeltex Puerto Rico, Inc.

Transfer Agent(s):

Manufacturer's Hanover Trust
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SILN (NASDAQ)

Number of Employees:

1984	402	1982	242
1983	247	1981	380

Plant Footage:

1984	153,050 sq. ft.	1983	57,050

Sales and Earnings

	Revenues	Net Income
1984	$ 47,969,000	$ 9,273,000
1983	29,328,000	4,396,000
1982	21,572,000	1,409,000
1981	23,986,000	3,394,000
1980	24,531,000	2,611,000

	No. of Com. Shares †	Earn. per Share +
1984	11,686,621	$ 0.77
1983	11,131,552	0.38
1982	10,493,136	0.13
1981	10,296,400	0.30
1980	10,773,600	0.24

† Adjusted to reflect stock splits.
+ Based on the average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1 & 2-for-1
1982	—	—	—
1981	—	—	—
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 30,847,000	$ 2.64
1983	18,694,000	1.68
1982	13,311,000	1.27
1981	9,802,000	0.95
1980	8,813,000	0.82

‡ Adjusted to reflect stock splits.

Income Account *

Year ended	7/1/84	7/3/83
Net sales	$ 47,228,000	$ 28,959,000
Other income	741,000	369,000
Total Income	$ 47,969,000	$ 29,328,000
Cost of sales	25,427,000	16,606,000
Expenses	9,322,000	5,700,000
Interest expense	170,000	361,000
Income before taxes	$ 13,050,000	$ 6,661,000
Income taxes	3,777,000	2,265,000
Net Income	$ 9,273,000	$ 4,396,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,186,000 in 1984 and $840,000 in 1983.

Assets

Year ended	7/1/84	7/3/83
Cash	$ 7,874,000	$ 6,221,000
Accts. receiv., net	8,249,000	4,831,000
*Inventories	7,459,000	5,871,000
Prepaid expenses	517,000	76,000
Current Assets	$ 24,099,000	$ 16,999,000
#Fixed assets	14,730,000	8,329,000
Other assets	2,575,000	395,000
Total Assets	$ 41,404,000	$ 25,723,000

Liabilities

Long-term debt, curr.	$ 344,000	$ 299,000
Accts. payable	3,246,000	2,121,000
Income taxes payable	1,300,000	—
Accruals	2,839,000	1,794,000
Allow. for sales returns	720,000	688,000
Curr. Liabilities	$ 8,449,000	$ 4,902,000
Long-term debt	804,000	1,147,000
Deferred inc. taxes	1,304,000	980,000
+ Common stock	4,188,000	2,225,000
Add. paid-in capital	4,159,000	2,716,000
Retained earnings	22,500,000	13,753,000
Total Liabilities & Shareholders' Equity	$ 41,404,000	$ 25,723,000

* At lower of standard cost (which approximates average cost) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	27.63	23.00
%Net Income to Sales	19.63	15.18
%Net Income to Equity	30.06	23.52
Sales to Inventories	6.33	4.93
Working Capital	$15,650,000	$12,097,000
Current Ratio	2.85	3.47
Shareholders' Equity	$30,847,000	$18,694,000

Siliconix Incorporated

2201 Laurelwood Road
Santa Clara, California 95054
(408) 988-8000

Officers: Richard E. Lee, chairman, chief exec. officer & president; Douglas R. Sullivan, exec. v.p. & chief operating officer; Harold G. Molyneux, sr. v.p.-worldwide mfg.; Arthur E. Fury, v.p.-marketing & secretary; Donald G. Keefe, v.p.-European operations; John W.F. Niem, v.p.-Far East operations; Gary J. Shona, v.p.-corp. planning & admin.; Bruce G. Burman, v.p.-FET Business Unit; Richard A. Blanchard, v.p.-design and advanced technology development; Ron Gadway, v.p.-IC Business Unit; Walter Senges, v.p.-sales; John F. Crimmins, controller & chief financial officer.

Directors: Richard E. Lee, chairman; Douglas R. Sullivan, Clifford A. Morton, Francis T. Thompson, Robert P. Rhen, Robert L. Wehrli.

Areas of Work: Designs, develops, manufactures and sells discrete devices and integrated circuits which include junction and MOS field-effect transistors (FETs) and digital linear, and large-scale integrated circuits. Product application innovations in the areas of switching, multiplexing, interface circuitry, operational and sense amplifiers, phased arrays, signal processing and LSI circuits for the data conversion, and telecommunications markets are derivations of advanced components technologies.

Subsidiaries:

Siliconix, (Hong Kong) Limited
61-63 King Yip Street
Fourth Floor, Kwun Tong
Kowloon, Hong Kong

Siliconix (Taiwan) Limited
Nantze Export Processing Zone
Kaohsiung, Taiwan
Republic of China

Siliconix Limited
Morriston
Swansea, Wales
United Kingdom SA6 6NE

Siliconix S.A.R.L.
70-72 Avenue du General de Gaulle
Echat 559
94020 Creteil Cedex
Creteil, France

Siliconix Japan
101 Daigo Tanaka Building
4-4 Iidabashi, 3-Chome
Chiyoda-ku Tokyo, Japan 102

Siliconix GmbH
7024 Bernhausen
Postfach 1340
Johannestrasse 27
Filderstadt, West Germany

Transfer Agent(s):

First Interstate Bank
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SILI (NASDAQ)

Number of Employees:

1984	2,727	1981	2,013
1983	2,225	1980	2,159
1982	1,820		

Plant Footage:

1984	312,700 sq. ft.	1981	284,000
1983	296,700	1980	284,000
1982	284,000		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 60,025,000	$ 720,000
1983	69,565,000	8,812,000
1982	60,025,190	719,971
1981	60,103,367	126,803
1980	66,111,252	2,715,915

Siliconix Incorporated

	No. of Com. Shares #	Earn. per Share #†
1984	6,175,092	$ 1.36
1983	6,166,192	1.43
1982	5,758,094	0.13
1981	5,192,822	0.02
1980	4,928,382	0.55

† Including extraordinary gains of $545,000 ($0.09 per share) in 1983.
#Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	—
1980	0.05	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 46,271,000	$ 7.49
1983	41,786,000	6.78
1982	32,397,255	4.79
1981	32,094,041	6.18
1980	31,185,106	6.33

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 96,305,000	$ 69,565,000
Cost of sales	46,488,000	36,001,000
Expenses	37,513,000	28,957,000
Interest expense	536,000	275,000
Currency gains	(48,000)	(277,000)
Other income	—	(7,215,000)
Income before taxes	$ 11,816,000	$ 11,824,000
Income taxes	3,408,000	3,557,000
Net Income	$ 8,408,000	$ 8,267,000
Extraord. gain	—	545,000
Net Income & extraord. gain	$ 8,408,000	$ 8,812,000

* Included in Costs and Expenses, Depreciation and Amortization: $6,468,000 in 1984 and $5,126,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 672,000	$ 976,000
Accts. receiv., net	15,478,000	14,732,000
*Inventories	18,450,000	14,816,000
Prepaid expenses	4,883,000	3,345,000
Current Assets	$ 39,483,000	$ 33,869,000
#Fixed assets	36,762,000	24,809,000
Other assets	675,000	1,429,000
Total Assets	$ 76,920,000	$ 60,107,000

Liabilities

	1984	1983
Notes payable	$ 5,121,000	$ 2,109,000
Long-term debt, curr.	40,000	32,000
Accts. payable	5,047,000	6,030,000
Accruals	7,727,000	5,290,000
Income taxes	—	1,152,000
Curr. Liabilities	$ 17,935,000	$ 14,613,000
Long-term debt	8,147,000	133,000
Deferred inc. taxes	4,567,000	3,575,000
+ Common stock	17,243,000	16,124,000
Retained earnings	31,230,000	27,091,000
Accum. trans. adjust.	(2,202,000)	(1,429,000)
Total Liabilities & Shareholders' Equity	$ 76,920,000	$ 60,107,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	12.27	17.00
%Net Income to Sales	8.73	11.88
%Net Income to Equity	18.17	19.78
Sales to Inventories	5.22	4.70
Working Capital	$21,548,000	$19,256,000
Current Ratio	2.20	2.32
Shareholders' Equity	$46,271,000	$41,786,000

Siltec Corporation

190 Independence Drive
Menlo Park, California 94025
(415) 365-8600

Officers: Robert E. Lorenzini, chairman of the board & president; Larry S. Jo, v.p. & gen. mgr.-Siltec Silicon; Stanley T. Myers, international operations & gen. mgr.-Cybeg Systems; Bradford M. Wait, v.p.-finance, treasurer & secretary; William D. Jordan, v.p.-corporate communications; Elizabeth A. DePaola, asst. corporate secretary.

Directors: Robert E. Lorenzini, chairman; William D. Jordan, Thaddeus N. Taube, Paul A. Araquistain, George H. Bruns, Robert C. Wilson.

Divisions:

Siltec Silicon
423 National Avenue
Mountain View, California 94043
(415) 968-9359

Manufactures and markets silicon products including polished silicon wafers, single crystal ingots and related products.

Cybeg Systems
190 Independence Drive
Menlo Park, California 94025
(415) 328-7600

Manufactures instruments and equipment for the semiconductor industry including equipment for the production of silicon materials and instrumentation for the handling, testing and sorting of silicon wafers.

Joint Venture(s):

Rhone-Siltec
Mantes-la-Jolie, France

Manufactures silicon wafers for the West European market.

Transfer Agent(s):

Bank of America, NT & SA
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SLTC

Number of Employees:

1984	650

Sales and Earnings

	Net Sales †	Net Income
1984	$ 64,801,000	$ 2,771,000
1983	44,145,000	1,126,000
1982	39,397,000	(520,000)
1981	39,563,000	(1,495,000)
1980	50,611,000	3,420,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,563,000	$ 0.78
1983	3,421,000	0.33
1982	2,808,000	—
1981	2,817,000	—
1980	2,725,000	1.26

(Loss)
† Of continuing operations only.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 30,963,000	$ 8.69
1983	25,926,000	7.58
1982	17,357,000	6.18
1981	17,868,000	6.34
1980	19,013,000	6.98

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 64,801	$ 44,145
Cost of sales	46,285	32,005
Expenses	12,922	8,683
Interest expense	1,687	1,417
Other income	(650)	—
Income before taxes	$ 4,557	$ 2,040
Income taxes	1,786	914
Net Income	$ 2,771	$ 1,126

* Included in Costs and Expenses, Depreciation and Amortization: $4,386,000 in 1984 and $3,509,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 1,863	$ 440
Accts. receiv., net	14,475	11,566
*Inventories	13,018	13,252
Prepaid expenses	540	678
Current Assets	$ 29,896	$ 25,936
#Fixed assets	24,129	23,304
Total Assets	$ 54,025	$ 49,240

Liabilities
(000's)

	1984	1983
Notes payable	$ 328	$ 4,564
Industr. rev. bonds	590	540
Cap. lease oblig., curr.	1,916	1,131
Accts. payable	2,248	3,009
Accrued payroll	2,163	1,486
Other accruals	1,422	477
Accrued inc. taxes	474	80
Income taxes	1,937	1,335
Curr. Liabilities	$ 11,078	$ 12,622
Long-term debt	9,569	9,240
Deferred inc. taxes	2,415	1,452
+ Common stock	193	184
Add. paid-in capital	19,302	17,045
Retained earnings	11,468	8,697
Total Liabilities & Shareholders' Equity	$ 54,025	$ 49,240

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	7.03	4.62
%Net Income to Sales	4.28	2.55
%Net Income to Equity	8.96	4.34
Sales to Inventories	4.98	3.33
Working Capital	$18,818,000	$13,314,000
Current Ratio	2.70	2.05
Shareholders' Equity	$30,963,000	$25,926,000

The Singer Company

P.O. Box 10151
8 Stamford Forum
Stamford, Connecticut 06904
(203) 356-4200

Officers: Joseph B. Flavin, chairman of the board & chief executive officer; William F. Schmied, president & chief operating officer; Leonard Fischer, group v.p.-North American Consumer Products Group; Robert J. Lynch, sr. v.p.-corporate administration; F. Gordon Bitter, sr. v.p., chief financial officer & controller; Neil J. Morrow, group v.p.-International Group; Terry W. Heil, group v.p.-Government Products Group; vice presidents: Patricio H. Andrade-Marin; Leo G. Blatz; L. John Clark, pres. Europe, Africa and Middle East Division; John J. Brett, pres.-Kearfott Division; Maurice Center, pres.-Librascope Division Group; Theron S. Hoffman, personnel & organization; Thomas L. Elliott, Jr., corporate relations; Austin J. Greene, general tax counsel; Charles F. Keffler, pres.-Education Division; John L. Duncan, pres.-Motor Products Division; Larry F. Neely, pres.-Meter Division; Ernest J. Szilagyi, planning; William D. Turner, pres.-Link Flight Simulation Division; Paul D. O'Connor, Jr., sr. v.p. & gen. counsel; Ronald E. Bish, v.p., pres.-Controls Division; Robert J. Aebli, v.p.-Link Simulation Div.; John L. Duncan, v.p.-Motor Products Div.; Stephen H. Goodman, treasurer; Philip A. Wetson, v.p. & asst. general counsel; Ralph K. Kessler, secretary & general counsel.

Directors: Joseph B. Flavin*, chairman; Randolph W. Bromery; Lt. Gen. Kelly H. Burke USAF (ret); Francis E. Ferguson; Arthur H. Fredston*; Robert P. Jensen*; Lloyd L. Kelly; Archibald E. MacKay; Donald E. Meads*; Bernard J. O'Keefe*; Arthur J. Santry, Jr.*; William F. Schmied; Kelly H. Burke; Delbert C. Staley*

* Member of the Executive Committee

Areas of Work: Government products groups include the aerospace and marine systems product area, and educational products and services. Aerospace systems operations include a broad line of navigation systems for aircraft, spacecraft, and marine vessels; guidance systems for missiles; anti-submarine warfare systems; aircraft, spacecraft, marine and industrial simulators; large-screen display systems; electronic intelligence systems; telecommunications terminals and related systems and products. Products manufactured for the consumer include sewing machines, cabinets and sewing aids, fabrics, sewing options, and floor care equipment. Manufactures and markets industrial sewing machines, controls, meters, furniture and motor products such as vacuum cleaners and power tools manufactured for Sears Roebuck & Co.

Electronics & Related Divisions & Subsidiaries:

International Group
8 Stamford Forum
Stamford, Connecticut 06904
(203) 356-4200

Products: sewing machines, cabinets and sewing aids, fabrics, sewing notions, knitting machines, television, stereo and radio units, electric fans, refrigerators, washing machines, electric and gas ranges, air conditioners, and floor care equipment.

Asia Division
593 Havelock Rd.
#3-00
Singapore 0316
733-1844

Japan Management
Singer Sewing Machine Company
5-27, Roppongi 3-chome
Minatoku (Azabu P.O. Box 24)
Tokyo, Japan

Latin America Division
8525 N.W. 53rd Terrace
Miami, Florida 33166
(305) 592-9201

Brazil Region
Singer Limited
Praca Carlos 194,
Caixa Postal 7157
Sao Paulo, Brazil

Motor Products Division
P.O. Box 35
Pickens, South Carolina 29671
(803) 878-6331

Portable electronic power tools, aluminum die castings, small universal motors, floor care products.

Government Group

Aerospace and Marine Systems
8 Stamford Forum
Stamford, Connecticut
(203) 356-4200

Navigation systems for aircraft, spacecraft and marine vessels; guidance systems for missiles; anti-submarine warfare systems; aircraft, spacecraft, marine and industrial simulators; audio-visual equipment, education materials and training products for the U.S. Government.

Kearfott Division
1150 McBride Avenue
Little Falls, New Jersey 07424
(201) 256-4000

Products: Airborne inertial, Doppler and hybrid navigation and guidance systems; time ordered ranging systems, analog computers, digital computers, analog-digital/digital-analog converters, airborne multiplex systems, digitally controlled support equipment, test equipment platforms, gyros, accelerometers and inertial packages, electronic assemblies, servomechanism components including synchros, resolvers, servomotors and tachometers, synchronous and stepping motors, electromechanical and hydraulic actuators.

HRB-Singer, Inc.
P.O. Box 60
Science Park
State College, Pennsylvania 16801
(814) 238-4311

ESM Systems which includes: system engineering and analysis, airborne reconnaissance systems, fixed and mobile signal processing, graphic computer analysis techniques, special signal analysis techniques, quick reaction capability, special purpose displays and EW simulation.

Librascope Division
833 Sonora Avenue
Glendale, California 91201
(818) 244-6541

Products: Naval weapon control systems, underwater acoustic systems, computing and data processing systems for shipborne antisubmarine warfare applications, mobile command/control and communications systems for the army, fixed station command/control systems for air defense including real-time displays ranging from CRT to very large screen, computer peripheral equipment such as disc memories and encoders.

Link Flight Simulation Division
Binghamton, New York 13902
(607) 772-3011

Products: Simulators for aircraft flight and mission, missile and spacecraft, and visual; general aviation flight trainers.

Advanced Products Operation
1077 East Arques Avenue
Sunnyvale, California 94086
(408) 732-3800

Products: Digital data recording systems, visual simulation, precision scanning, radar landmass simulation, video/data processing systems, research and development.

The Singer (U.K.) Ltd.
Link-Miles Operation
Churchill Industrial Estate
Lancing, Sussex, England

Products: Cockpit procedures trainers, flight simulators, visual systems, tracked vehicle simulators.

Link Simulation Systems Division
11800 Tech Road
Montgomery Industrial Park
Silver Spring, Maryland 20904
(301) 622-4400

Products: Simulators for ASW flight and tactics, helicopter, locomotive, ships handling, VTOL trainers for aircraft flight, cockpit procedures, flight procedures. Part task, radar, submarine, power generating station simulators.

SimuFlight Training International, Inc.
12929 W. Airfield Dr.
D/FW Airport, TX 75261
(214) 456-8000

Products: Flight simulators for corporate/commercial aviation.

Metering and Controls

Meter Division
13500 Philmont Avenue
Philadelphia, Pennsylvania 19116
(215) 673-2100

Products: Flow meters, flow control instruments, large gas meters, gas equipment accessory apparatus, turbine meters, laboratory apparatus.

Canadian Meter Company Limited
3037 Derry Road West
Milton, Ontario, Canada
(416) 878-2361

International Gas Apparatus
Camberley, Surrey, England

Controls Division
9655 W. Soreng Avenue
Schiller Park, Illinois 60176
(312) 625-9000

Products: Programmers, timers, liquid level controls, liquid flow controls, solenoids, synchronous motors, snap switches. (Controls for automobiles, washing machines, dryers, dishwashers, vending machines, microwave ovens, display signs, humidifiers, and numerous industrial applications.)

Controls Canada
Singer Company Canada Limited
30 Burwell Road
St. Thomas, Ontario, Canada
(519) 633-1750

Products: Gas, electric and oil comfort heating and appliance controls, refrigerant filter driers, fractional h.p. motors.

Transfer Agent(s):

The First Jersey National Bank
Stock Transfer Division
One Exchange Place
Jersey City, New Jersey 07302

Crocker National Bank (common & $3.50 preferred stock)
P.O. Box 38005
San Francisco, California 94138

Stock Exchange(s): New York, Pacific, Paris, Bourse, London

Ticker Symbol: SMF

Number of Employees:

1984	50,000	1981	66,000
1983	55,000	1980	71,000
1982	58,000		

Sales and Earnings

	Net Sales † (000's)	Net Income ‡ (000's)
1984	$ 2,518,800	$ 65,100
1983	2,476,600	31,600
1982	2,523,400	(2,900)
1981	2,704,000	58,400
1980	2,659,700	98,100

	No. of Com. Shares	Earn. per Share §
1984	17,089,706	$ 3.41
1983	16,935,406	1.52
1982	16,621,004	—
1981	16,612,221	1.93
1980	16,591,247	1.92

(Loss)
† Of continuing operations only
‡ Including extraordinary gains of $25,400,000 ($0.88 per share) in 1983 and $18,900,000 in 1982
§ Based on the monthly average number of common shares and common share equivalents outstanding

Revenues By Line of Business
(000's)

	1984	1983
Sewing products	$ 154,100	$ 148,600
Consumer durables	594,100	718,100
Furniture	145,700	139,200
Power tools & floor care	217,500	199,900
Controls prods.	143,400	124,000
Meter prods.	89,300	72,100
Aerospace & marine sys.	1,110,500	1,010,800
Education	64,200	63,900
Total	$ 2,518,800	$ 2,476,600

The Singer Company

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.10	—	—
1983	0.10	—	—
1982	0.10	—	—
1981	0.10	—	—
1980	0.10	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 321,600,000	$ 18.82
1983	270,600,000	15.98
1982	259,000,000	15.58
1981	268,600,000	16.17
1980	236,600,000	14.26

‡ After allowing for preferred stock at total liquidation preference value.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net Sales	$ 2,518,800	$ 2,476,600
Cost of sales	1,918,200	1,872,800
Expenses	454,000	500,100
Other income	(7,900)	(19,200)
Inc. of unconsol. subsid.	(4,100)	(6,000)
Interest expense	79,200	74,000
For. exch. adjust.	(2,000)	2,900
Income before taxes	$ 81,400	$ 51,800
Income taxes	31,100	35,600
Net Income	$ 50,300	$ 16,200
Extraord. gain	14,800	15,400
Net Income & extraord. gain	$ 65,100	$ 31,600

* Included in Costs and Expenses, Depreciation and Amortization: $62,200,000 in 1984 and $52,300,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 57,600	$ 36,200
Accts. receiv., net	441,300	459,200
*Inventories	405,300	358,400
Prepaid expenses	11,500	10,200
Current Assets	$ 915,700	$ 864,000
Investments	81,700	81,600
#Fixed assets	380,100	393,400
Other assets	92,500	81,300
Total Assets	$ 1,470,000	$ 1,420,300

Liabilities
(000's)

	1984	1983
Notes & loans payable	$ 122,500	$ 133,400
Long-term debt, curr.	14,500	13,600
Accts. payable	233,500	201,400
Accruals	190,600	192,300
Income taxes	14,100	23,600
Curr. Liabilities	$ 575,200	$ 564,300
Long-term debt	322,900	334,100
Other liabilities	88,200	86,500
+ Preferred stock	22,400	22,900
+ + Common stock	170,900	169,400
Add. paid-in capital	40,200	39,400
Retained earnings	289,600	231,500
Eq. adjust. from curr. trans.	(39,400)	(27,800)
Total Liabilities & Shareholders' Equity	$ 1,470,000	$ 1,420,300

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $10 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	3.23	2.09
%Net Income to Sales	2.00	0.65
%Net Income to Equity	10.40	3.72
Sales to Inventories	6.21	6.92
Working Capital	$340,500,000	$299,700,000
Current Ratio	1.59	1.53
Shareholders' Equity	$483,700,000	$435,400,000

Sippican Inc.

(formerly Sippican Ocean Systems, Inc.)

7 Barnabas Road
Marion, Massachusetts 02738
(617) 748-1160

Officers: Richard I. Arthur, president & chief executive officer; Richard W. Bixby, v.p.-engineering; David P. Gagnon, v.p.-manufacturing; Stephen S. Galliker, v.p.-finance & treasurer; Henry C. Hall, v.p. & controller; Frank E. Maddocks, v.p.-quality control; William E. Walsh, Jr., v.p.-marketing & program management; Richard Testa, secretary.

Directors: Thayer Francis, Jr., chairman; Robert S. Ames, Richard I. Arthur, Alfred M. Berticchi, Burgess Dempster, Daniel Semels, Alfred J. Whittle, Jr.

Areas of Work: The company designs, develops, manufactures and markets expendable oceanographic instrumentation and associated support systems, sonobuoys, acoustic and radio frequency communications devices and mine actuators, and is developing underwater training targets, for use primarily by the United States and other free world navies, as well as by the scientific community. The Company's products are utilized in antisubmarine and mine warfare and for submarine command, control and communication. Sippican's expendable temperature probes are used to predict sonar detection ranges, a critical input to tactical deployment of antisubmarine warfare forces. The Company's products are also employed by oceanographers to compute current flow, ocean-atmosphere heat transfer and other variable physical phenomena, in the study of energy transport in the ocean, and in other scientific applications.

Transfer Agent(s):
State Street Bank and Trust Company
Box 366
Boston, Massachusetts 02101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SOSI (NASDAQ)

Number of Employees:

1984	375	1982	333
1983	344	1981	279

Plant Footage:

1984	210,000 sq. ft.	1982	124,000
1983	124,000	1981	124,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 32,057,000	$ 4,931,000
1983	27,043,000	2,625,000
1982	19,863,000	1,753,000
1981	15,808,000	1,345,000
1980 +	11,618,000	786,000

	No. of Com. Shares #	Earn. per Share #
1984	3,319,000	$ 1.49
1983	3,197,000	0.82
1982	2,732,000	0.64
1981	2,357,000	0.57
1980 +	2,259,000	0.35

+ Pro-forma
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 21,779,000	$ 6.56
1983	19,087,000	5.97
1982	9,303,000	3.41
1981	7,550,000	3.20
1980	3,833,000	1.70

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Revenues	$ 32,056,696	$ 27,043,121
Cost of revenues	19,715,482	16,789,353
Expenses	7,266,149	6,179,322
Other income	(491,352)	(870,890)
Income before taxes	$ 5,566,417	$ 4,945,336
Income taxes	635,000	2,320,000
Net Income	$ 4,931,417	$ 2,625,336

* Included in Costs and Expenses, Depreciation and Amortization: $1,720,650 in 1984 and $1,284,152 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 4,332,452	$ 8,474,207
Market. securities	485,000	3,738,257
Accts. reciev., net	6,546,822	5,447,640
*Inventories	2,180,088	1,220,730
Prepaid expenses	112,599	95,731
Current Assets	$ 13,656,961	$ 18,976,565
#Fixed assets	16,010,927	7,684,525
Total Assets	$ 29,667,888	$ 26,661,090

Liabilities

	1984	1983
Long-term debt, curr.	$ 720,000	$ 35,000
Accts. payable	1,782,514	1,642,730
Accrued payroll	962,750	350,396
Profit sharing	468,813	829,450
Commissions	440,148	553,974
Inc. taxes payable	—	788,000
Curr. Liabilities	$ 4,374,225	$ 4,199,550
Deferred inc. taxes	1,795,000	2,409,000
Long-term debt	1,720,000	965,000
+ Common stock	3,407,955	3,302,912
Add. paid-in capital	8,608,479	8,486,100
Retained earnings	12,229,945	7,298,528
Treasury stock	(2,467,716)	—
Total Liabilities & Shareholders' Equity	$ 29,667,888	$ 26,661,090

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	17.36	18.29
%Net Income to Sales	15.38	9.71
%Net Income to Equity	22.64	13.75
Sales to Inventories	14.70	22.15
Working Capital	$9,282,736	$14,777,015
Current Ratio	3.12	4.52
Shareholders' Equity	$21,778,663	$19,087,540

SL Industries, Inc.

(formerly SGL Industries, Inc.)

Suite 201
Three Greentree Centre
Marlton, N.J.
(609) 596-7800

Officers: John C. Instone, president & chief exec. officer; John R. Gregor, sr. group v.p.; Newell E. Whitcomb, group v.p.; James E. Morris, treasurer; Robert T. Cross, v.p.-resource management & secretary; William J. Blewis, asst. secretary; Charles A. Shipley, v.p.-finance; Gordon C. Mason, v.p.-corporate development; S. James Stansky, dir. personnel; William M. Landolt, export sales mgr.; Lorraine L. Bickers, mgr.-advertising; Michael J. Froggatt, mgr.-information services; David P. Bell, mgr.-auditing and finance.

Directors: Byrne Litschgi, chairman; William M. Hess, Grant Heilman, Donald J. Lloyd-Jones, John C. Instone, Marlin Miller, Jr., Mandell Shimberg.

Areas of Work: Electrical and electronic products include magnetic components for the electronic and telephone industries; printed circuit components and other metal-etched components for the electronic, telephone and business machine industries; and electric power outlet boxes, lead-acid batteries and related accessories, spark plugs, industrial igniters, electric feed-throughs, and observation ports.

Metal products include grinding wheels and abrasives, screw machined parts for the plastic, computer, television and other industries; and specialty pipe flanges, pipe bends, tank nozzles, and the piping systems of chemical and food processing plants.

Plastic products include a variety of high tolerance parts produced by many processes including injection molding, profile and sheet extrusion; and casting of crystal clear sheet, tube and rod.

Industrial services include industrial chrome plating, industrial electroless nickel plating; and the coating and printing of plastic and glass containers for quality cosmetic and pharmaceutical products.

Divisions:

Electrical Products Group
    SL Auburn Spark Plug Co.
    89 York Street
    Auburn, New York 13021
    (315) 252-9501

    SL Waber Electric
    300 Harvard Avenue
    Westville, New Jersey 08093
    (609) 456-5400

    SL Electronics
    300 Harvard Avenue
    Westville, New Jersey 08093
    (609) 456-7300

    Metalworking Group
    SL Abrasives
    Cave Hill Drive
    Carlisle, Pennsylvania 17013
    (717) 234-3471

    SL Piping Systems
    Newport, Delaware

    SL LUBE/Systems
    Elmwood Park, New Jersey
    (201) 791-6200

    SL International
    Marlton, New Jersey

Plastics Group
    SL Plastics
    P.O. Box 211
    Nazareth, Pennsylvania 18064
    (215) 759-0280

    SL Homalite
    11 Brookside Drive
    Wilmington, Delaware 19804
    (302) 652-3686

Services Group
    SL Modern Creative
    Elmwood Park, New Jersey

    SL Modern Hard Chrome Service
    Pennsauken & Camden, New Jersey
    (609) 665-8600

Transfer Agent(s):

Mellon Bank (East) N.A.
Mellon Bank Center
Philadelphia, Pennsylvania 19101

Stock Exchange(s): New York, Philadelphia

Ticker Symbol: SL

Number of Employees:

1984	883

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 59,322,000	$ 3,095,000
1983	43,585,000	1,620,000
1982	46,777,000	2,783,000
1981	44,328,000	2,686,000
1980	44,114,000	2,509,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,071,000	$ 1.01
1983	3,730,000	0.43
1982	3,818,000	0.73
1981	3,790,000	0.71
1980	3,765,000	0.67

+ Of continuing operations only

‡ Based on the average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Electrical energy conversion	$ 33,448	$ 23,082
Metalworking tech	14,353	10,647
Specialty plastics	5,468	5,143
Manufacturing services	6,053	4,713
Total	$ 59,322	$ 43,585

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.18	6%	3-for-2
1983	0.17	6%	3-for-2
1982	0.15	6%	—
1981	0.15	6%	—
1980	0.13	6%	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 20,352,000	$ 6.63
1983	17,799,000	4.77
1982	23,041,000	6.03
1981	20,782,000	5.48
1980	18,421,000	4.89

‡ Based on average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Income Account

Year ended July 31	1984	1983
Net sales	$ 59,322,000	$ 43,585,000
Cost of sales	39,908,000	30,142,000
Expenses	11,771,000	9,449,000
Depreciation	1,126,000	1,170,000
Oper. profit	$ 6,517,000	$ 2,824,000
Interest income	(127,000)	(547,000)
Interest expense	175,000	183,000
Other expense	50,000	224,000
Income before taxes	$ 6,419,000	$ 2,964,000
Income taxes	3,149,000	1,418,000
Inc.-cont. oper.	$ 3,270,000	$ 1,546,000
Inc. (loss)-discont. oper.	(175,000)	74,000
Net Income	$ 3,095,000	$ 1,620,000

Assets

As of July 31	1984	1983
Cash	$ 2,222,000	$ 480,000
Trade receiv., net	8,077,000	6,480,000
*Inventories	9,184,000	7,778,000
Prepaid expenses	277,000	237,000
Current Assets	$ 19,760,000	$ 14,975,000
#Fixed assets	8,432,000	8,231,000
Defer. charges & other assets	565,000	388,000
Intangibles	2,232,000	2,652,000
Total Assets	$ 30,989,000	$ 26,246,000

Liabilities

Short-term bank debt	$ —	$ 1,300,000
Long-term debt, curr.	214,000	114,000
Accts. payable	3,205,000	2,199,000
Accruals	3,482,000	2,132,000
Income taxes	914,000	453,000
Curr. Liabilities	$ 7,815,000	$ 6,198,000
Long-term debt	2,381,000	1,865,000
Deferred inc. taxes	441,000	384,000
+ Common stock	764,000	480,000
Add. paid-in capital	13,312,000	11,987,000
Retained earnings	12,543,000	11,599,000
Treasury stock	(6,267,000)	(6,267,000)
Total Liabilities & Shareholders' Equity	$ 30,989,000	$ 26,246,000

* At lower of cost (FIFO or average) or market.

Less accumulated depreciation and amortization.

+ $0.20 par value.

Statistical Summary

% Net Income to Equity	15.21	9.10
Sales to Inventories	6.46	5.60
Working Capital	$11,945,000	$ 8,777,000
Current Ratio	2.53	2.42
Shareholders' Equity	$20,352,000	$17,799,000

SmithKline Beckman Corporation

One Franklin Plaza
P.O. Box 7929
Philadelphia, Pennsylvania 19101
(215) 751-4000

Note: On March 4, 1982, SmithKline Corporation merged with Beckman Instruments, Inc. to form SmithKline Beckman Corporation.

Officers: Robert F. Dee, chairman of the board; Henry Wendt, president & chief executive officer; Donald van Roden, Arnold O. Beckman, vice chairmen; exec. v.p.'s: Alan J. Dalby, Therapeutic Products Group & president-SmithKline & French Laboratories, George W. Ebright-Diagnostic & Analytical Product Group; vice presidents: Norman H. Blanchard, president-SmithKline Animal Health Products; Robert J. Byrnes, president-SmithKline Chemicals; John F. Chappell, president-SmithKline & French Laboratories-International; Thomas M. Collins, corporate affairs; Bryce Douglas, corporate science and technology; Gavin S. Herbert, president-Eye and Skin Care Products; Richard V. Holmes, secretary & general counsel; William E. Learnard, president-SmithKline Consumer Products; Kurt W. Reiss, corporate finance; Joseph C. Gardner, controller; Richard W. Rodney, corporate technical services; Louis T. Rosso, president-Beckman Instruments, Inc.; G., Stanley T. Crooke, president-Research & Development, Smithkline & French Laboratories; James H. Cavanaugh, president, SmithKline & French Laboratories-U.S.; Harry C. Groome, president, SmithKline Bio-Science Laboratories; William C. Shepherd, president-Allergan Pharmaceuticals, Inc.; James E. Hamblen, treasurer.

Directors: Samuel H. Ballam, Jr., Arnold O. Beckman, Carter L. Burgess, Alan J. Dalby, Robert F. Dee, William R. Grant, Gavin S. Herbert, Mary T. Klimpton, Andrew L. Lewis, Jr., Francis P. Lucier, Samuel P. Martin, R. Gordon McGovern, Donald F. McHenry, Ralph A. Pfeiffer, Jr., Thomas M. Rauch, William T. Rennie, Donald van Roden, Henry Wendt.

Areas of Work: Engaged [illegible] the fields of health care and high technology. Markets a broad line of prescription and proprietary products for human and animal health as well as diagnostic and analytical products and services that facilitate the detection and treatment of disease and the advancement of biomedical research. Participates in industrial markets through electronic and ultrasonic technologies.

Operating Groups:

Industrial Group

Beckman Electronic Technologies
Beckman Process Instruments
SmithKline Ultrasonic Products

Therapeutics Group

Smith Kline & French Laboratories
SmithKline Animal Health Products
SmithKline Consumer Products
SmithKline Chemicals
Eye and Skin Care Products

Diagnostic/Analytical Group

SmithKline Clinical Laboratories
Beckman Health Care Group
Beckman Scientific Instruments
Beckman Spinco Division
Beckman North American Sales
Beckman International Operations
Geometric Data
SmithKline Diagnostics

Subsidiaries:

Allergan Pharmaceuticals, Inc.
Beckman Instruments, Inc.
Laboratoires Smith Kline & French S.A. (France)
Menley & James Laboratories, Ltd.
Norden Laboratories, Inc.
SK&F Lab Co.
SK&F Co.
Smith Kline & French Laboratories Limited (United Kingdom)
SmithKline Clinical Laboratories, Inc.
Smith Kline & Fujisawa KK

Joint Venture:

Yuhan-Smith Kline Co. Ltd.

Transfer Agent(s):

The Philadelphia National Bank
P.O. Box 13833
Philadelphia, Pennsylvania 19101

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Security Pacific National Bank
P.O. Box 60228, Terminal Annex
Los Angeles, California 90060

Stock Exchange(s): New York, Pacific, Philadelphia, Swiss

Ticker Symbol: SKB

Number of Employees:

1984	30,465	1981	28,555
1983	31,317	1980	26,201
1982	30,438		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 2,949,000	$ 504,000
1983	2,835,000	490,000
1982	2,643,000	455,000
1981	2,306,000	406,000
1980	2,018,000	345,000

	No. of Com. Shares #	Earn per Share #
1984	80,800,000	$ 6.23
1983	83,100,000	5.89
1982	82,600,000	5.51
1981	82,400,000	4.93
1980	81,700,000	4.22

+ Of continuing operations only.
# Based on the average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Therapeutics	$ 2,119,100	$ 2,005,027
Diagnostic/Analytical	830,100	830,364
Total	$ 2,949,200	$ 2,835,391

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.80	—	—
1983	2.65	—	—
1982	2.39	—	—
1981	2.12	—	—
1980	1.725	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 2,069,000	$ 26.09
1983	2,055,000	24.68
1982	1,841,000	22.21
1981	1,552,000	18.87
1980	1,278,000	15.62

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 2,949,200	$ 2,835,391
Cost of sales	1,031,200	962,094
Expenses	1,218,000	1,168,234
Interest income	(84,200)	(66,309)
Interest expense	46,600	54,564
Other expense	24,900	7,046
Income before taxes	$ 712,700	$ 709,762
Income taxes	212,400	223,772
Inc. - cont. oper.	$ 500,300	$ 485,990
Inc. - discont. oper.	3,300	3,510
Net Income	$ 503,600	$ 489,500

* Included in Costs and Expenses, Depreciation and Amortization: $109,100,000 in 1984 and $92,691,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 584,900	$ 599,539
Accts. receiv., net	601,600	583,995
*Inventories	462,400	473,219
Other curr. assets	96,000	105,967
Current Assets	$ 1,744,900	$ 1,762,720
Assets of discont. oper.	—	192,760
Lease receiv.	67,500	75,988
Investments	172,200	65,084
#Fixed assets	1,093,000	988,857
Intangibles	116,800	84,682
Total Assets	$ 3,194,400	$ 3,170,091

Liabilities
(000's)

Notes payable	$ 130,500	$ 307,936
Accts. payable	129,000	143,968
Accrued comp.	61,900	56,076
Accruals	177,800	142,655
Income taxes	334,700	269,864
Curr. Liabilities	$ 833,900	$ 920,499
Long-term debt	87,000	89,326
Deferred inc. taxes	49,100	51,147
Other liab.	155,500	53,644
+ Common stock	20,800	20,824
Add. paid-in capital	237,000	233,551
For. curr. trans.	(112,400)	(70,821)
Retained earnings	2,149,100	1,871,921
Treasury stock	(225,600)	—
Total Liabilities & Shareholders' Equity	$ 3,194,400	$ 3,170,091

* At lower of cost (average & FIFO) or market.
# Less accumulated depreciation.
+ $0.25 par value.

Statistical Summary

%Net Income to Equity	24.34	23.81
Sales to Inventories	6.38	5.99
Working Capital	$ 911,000,000	$ 842,221,000
Current Ratio	2.09	1.91
Shareholders' Equity	$2,068,900,000	$2,055,475,000

Snap-on Tools Corporation

2801 80th Street
Kenosha, Wisconsin 53141
(414) 656-5200

Officers: William B. Rayburn, chairman, president & chief executive officer; Lynn A. Ameche, sr. v.p.-marketing; Harry W. Fry, sr. v.p.-administration; Marion F. Gregory, exec. v.p. & chief operating officer; Jay W. Schultz, v.p.-research & engineering; George Bartl, Jr., v.p.-Eastern Division; James R. Askeris, controller; J. Ralph Brady, v.p.-Western Division; Reginald R. Gadsby, v.p.-international; Allen L. Hottiezer, v.p.-Central Division; Lowell L. Larson, sr. v.p.-finance; Donald E. Lyons, v.p.-employee relations; Michael F. Montemurro, treasurer; Joseph R. Olson, secretary & general counsel; Earl B. Reed, v.p.-marketing; Robert C. Stenman, v.p.-planning & information services; Hy Weiner, sr. v.p.-manufacturing; James L. Somers, v.p.-marketing services; Michael G. Hassett, v.p.-national sales; Charles J. Labanowsky, asst. secretary.

Directors: Donald J. Johnson, Marion F. Gregory, Roger G. DeLong, William B. Rayburn, Robert E. Badger, Arthur L. Kelly, James M. Tait, Lynn A. Ameche, Robert A. Cornog, Lowell L. Larson, Daniel J. Krumm, George W. Mead.

Areas of Work: Manufactures hand tools for the professional automotive mechanic and industrial tool user, electronic diagnostic equipment, sheet metal tool chests and cabinets, wheel aligning and balancing equipment and air powered tools.

Subsidiaries:

Snap-on Tools of Canada Ltd.
Toronto, Ontario, Canada
Manufactures tools, tool chests and cabinets.

Herramientas Snap-on de Mexico, S.A.
Vallejo, Mexico
Distributes U.S. Mexican manufactured products throughout Mexico.

Snap-on AG
Zug, Switzerland

Snap-on Tools de Mexico, S.A. de C.V.
Vallejo, Mexico
Manufactures basic tools.

Snap-on Tools International, Ltd. (FSC)
Kenosha, Wisconsin
Foreign sales corporation.

Snap-on Tools Limited
Kettering Northant's, England
Distributes U.S. and Canadian manufactured products throughout England

Snap-on Tool (Europe) Ltd.

Snap-on Tools GmbH
Willsbach, West Germany

Transfer Agent(s):

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York

Ticker Symbol: SNA

Number of Employees:

1984	5,906	1981	6,126
1983	5,448	1980	6,189
1982	5,253		

Plant Footage:

1984	1,886,300 sq. ft.	1981	1,758,700
1983	1,885,000	1980	1,494,500
1982	1,734,900		

Sales and Earnings

	Net Sales	Net Income
1984	$ 539,933,000	$ 59,629,000
1983	454,748,000	42,974,000
1982	430,521,000	37,301,000
1981	441,514,000	40,013,000
1980	401,799,000	38,322,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	20,351,512	$ 2.93
1983	20,282,279	2.12
1982	20,221,224	1.84
1981	20,164,812	1.98
1980	19,939,010	1.92

‡ Based on the average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.93	—	—
1983	0.85	—	—
1982	0.84	—	—
1981	0.84	—	—
1980	0.83	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 298,574,000	$ 14.67
1983	258,941,000	12.77
1982	232,594,000	11.50
1981	213,057,000	10.57
1980	191,335,000	9.60

‡ Based on the average number of common shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 539,933,000	$ 454,748,000
Cost of sales	256,717,000	223,201,000
Expenses	169,168,000	148,770,000
Oper. profit	$ 114,048,000	$ 82,777,000
Other income	(3,428,000)	(3,245,000)
Interest expenses	2,747,000	2,848,000
Income before taxes	$ 114,729,000	$ 83,174,000
Income taxes	55,100,000	40,200,000
Net Income	$ 59,629,000	$ 42,974,000

* Included in Costs and Expenses, Depreciation and Amortization: $11,178,000 in 1984 and $10,589,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 43,558,000	$ 52,657,000
Accts. receiv., net	164,901,000	136,101,000
*Inventories	112,664,000	96,243,000
Prepaid expenses	10,175,000	8,418,000
Current Assets	$ 331,298,000	$ 293,419,000
#Fixed assets	86,529,000	78,681,000
Other assets	1,095,000	250,000
Total Assets	$ 418,922,000	$ 372,350,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 2,512,000	$ 2,407,000
Accts. payable	19,922,000	14,631,000
Accruals	32,267,000	28,663,000
Income taxes	4,961,000	11,734,000
Deposits	29,896,000	26,650,000
Curr. Liabilities	$ 89,558,000	$ 84,085,000
Long-term debt	20,190,000	22,702,000
Deferred income taxes	10,600,000	6,622,000
+ Common stock	20,378,000	20,307,000
Add. paid-in capital	12,177,000	10,465,000
Retained earnings	274,458,000	233,760,000
Currency translation adjustment	(8,439,000)	(5,591,000)
Total Liabilities & Shareholders' Equity	$ 418,922,000	$ 372,350,000

* At lower of cost (LIFO) or market
# Less accumulated depreciation
+ $1 par value

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	21.25	18.29
%Net Income to Sales	11.04	9.45
%Net Income to Equity	19.97	16.60
Sales to Inventories	4.79	4.72
Working Capital	$241,740,000	$209,334,000
Current Ratio	3.70	3.49
Shareholders' Equity	$298,574,000	$258,941,000

Solid Controls, Inc.

6925 Washington Avenue South
Minneapolis, Minnesota 55435
(612) 941-6110

Officers: Ronald A. Kokesh, president; Edward A. Cashin, executive vice president; John L. Rodgers, Jr., v.p.-engineering; Thomas R. Kelly, treasurer; A. Larry Katz, secretary.

Directors: Ronald A. Kokesh, Edward A. Cashin, A. Larry Katz, Thomas R. Kelly.

Areas of Work: Designs and manufactures a widely diversified line of solid state controls for the industrial machine industry.

Transfer Agent(s):

F & M Marquette National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	80	1981	80
1983	87	1980	80
1982	50		

Plant Footage:

1984	31,000 sq. ft.	1981	29,000
1983	29,000	1980	29,000
1982	29,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,836,419	$ 955,486
1983	3,392,748	3,429
1982	4,696,414	230,298
1981	3,999,007	(41,388)
1980	4,443,352	251,828

	No. of Com. Shares †	Earn. per Share ×
1984	592,902	$ 1.61
1983	592,902	0.01
1982	592,902	0.39
1981	592,902	—
1980	592,902	0.42

(Loss)
† Adjusted to reflect stock split.
× Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.20	—	—
1983	0.20	—	—
1982	0.20	—	—
1981	0.20	—	—
1980	0.19	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,496,949	$ 4.21
1983	1,663,522	2.81
1982	1,765,998	2.98
1981	1,671,361	2.74
1980	1,781,473	3.00

Income Account *

Year ended March 31	1984	1983
Net sales	$ 7,836,419	$ 3,392,748
Cost of sales	4,323,779	2,216,483
Expenses	1,845,894	1,242,150
Other income	(110,363)	(65,429)
Income (loss) before taxes	$ 1,777,109	$ (456)
Income taxes (credit)	821,623	(3,885)
Net Income	$ 955,486	$ 3,429

* Included in Costs and Expenses, Depreciation: $52,268 in 1984 and $45,501 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 1,147,127	$ 337,337
Accts. receiv., net	1,521,988	573,410
Investment	96,322	60,050
*Inventories	1,076,467	594,044
Prepaid expenses	20,913	15,297
Current Assets	$ 3,862,817	$ 1,580,138
Marketable securities	191,146	194,625
#Fixed assets	161,919	135,774
Total Assets	$ 4,215,882	$ 1,910,537

Liabilities

	1984	1983
Accts. payable	$ 301,239	$ 78,168
Profit sharing	155,497	—
Income taxes	816,967	—
Accruals	390,204	119,342
Curr. Liabilities	$ 1,663,907	$ 197,510
Deferred inc. taxes	55,026	49,505
+ Common stock	29,645	29,645
Add. paid-in capital	448,763	448,763
Unrealized loss on noncurr. marketable securities	(39,029)	(35,550)
Retained earnings	2,057,570	1,220,664
Total Liabilities & Shareholders' Equity	$ 4,215,882	$ 1,910,537

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.05 par value.

Statistical Summary

%Income bef. Taxes to Sales	22.68	—
%Net Income to Sales	12.19	0.10
%Net Income to Equity	38.27	0.21
Sales to Inventories	7.28	5.71
Working Capital	$2,198,910	$1,382,628
Current Ratio	2.32	8.00
Shareholders' Equity	$2,496,949	$1,663,522

Sonar Radio Corporation

3000 Stirling Road
Hollywood, Florida 33021
(305) 981-8800

Officers: Bernard Klein, president & chairman of the board; Daniel Klein, v.p., secretary & treasurer; Leon Popiel, v.p.-mfg.

Directors: Bernard Klein, chairman; Daniel Klein; Diane Klein Judem.

Areas of Work: Markets a diversified line of electronic products, including two-way commercial portable, mobile and base radio telephones, and VHF-FM radio paging communications systems.

Transfer Agent(s):

Continental Stock Transfer & Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Sales and Earnings

		Net Sales		Net Income ‡
1984	$	1,383,495	$	(147,495)
1983		1,377,150		(108,954)
1982		1,841,584		(350,045)
1981		2,227,493		20,466
1980		2,147,371		(14,717)

	No. of Com. Shares #	Earn. per Share #‡
1984	315,465	$ —
1983	325,921	—
1982	327,620	—
1981	336,582	0.06
1980	360,143	—

(Loss)
‡ Including extraordinary credit of $3,479 ($0.01 per share) in 1981.
# Based on the weighted average number of shares outstanding.

Common Stock Equity

		Total Equity	Equity Per Share #
1984	$	734,375	$ 2.33
1983		913,057	2.80
1982		1,022,703	3.12
1981		1,375,694	4.09
1980		1,374,202	3.82

Based on the weighted average number of shares outstanding.

Income Account *

Year ended June 30		1984		1983
Net sales	$	1,383,495	$	1,377,150
Other income		743		2,150
Total Income	$	1,384,238	$	1,379,300
Cost of sales		1,060,047		1,012,603
Expenses		413,314		410,022
Interest expense		58,372		65,629
Net Loss	$	(147,495)	$	(108,954)

* Included in Costs and Expenses, Depreciation and Amortization: $53,567 in 1984 and $52,434 in 1983.

Assets

As of June 30		1984		1983
Cash	$	15,694	$	11,718
Marketable securities		—		8,566
Accts. receiv., net		169,664		140,043
*Inventories		570,205		721,324
Prepaid expenses		7,261		5,861
Current Assets	$	762,824	$	887,512
#Fixed assets		763,660		803,578
Other assets		19,345		11,777
Total Assets	$	1,545,829	$	1,702,867

Liabilities

Notes payable	$	62,463	$	55,481
Accts. payable		128,474		98,272
Accruals		69,577		67,456
Long-term debt, curr.		33,807		29,795
Cust. credit bal.		4,876		7,717
Curr. Liabilities	$	299,197	$	258,721
Long-term debt		498,405		517,193
Notes payable-automobiles		8,514		11,079
Oblig. under cap. leases		—		2,817
Notes payable-other		5,338		—
+ Common stock		44,341		44,341
Add. paid-in capital		1,039,882		1,039,882
Retained earnings (deficit)		(116,761)		30,734
Treasury stock		(233,087)		(201,900)
Total Liabilities & Shareholders' Equity	$	1,545,829	$	1,702,867

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	2.43	1.91
Working Capital	$463,627	$628,791
Current Ratio	2.55	3.43
Shareholders' Equity	$734,375	$913,057

Sparton Corporation

2400 East Ganson Street
Jackson, Michigan 49202
(517) 787-8600

Officers: John J. Smith, chairman of the board & chief executive officer; David W. Hockenbrocht, president & chief operating officer; Blair H. Thompson, vice president, treasurer & asst. secretary; Richard D. Mico, v.p. & gen. mgr.-Sparton Technology, Inc.; Lawson K. Smith, v.p. & secretary and president-Lake Odessa Machine Products, Inc.; William E. [illegible]cktell, v.p. & gen. mgr.-Sparton Manufacturing; Richard C. French, v.p. & gen. mgr.-Lake Odessa Machine Products, Inc.; Richard H. Nichols, v.p., asst. secretary, asst. treasurer and gen. mgr.-Defense Electronics Division; Lawrence R. Staszak, pres. & gen. mgr.-Sparton of Canada, Ltd.; Thomas R. Paul, v.p. and gen. mgr.-Michigan Oil Company; Richard D. Mico, v.p. & gen. mgr.-Sparton Technology, Inc.

Directors: Marshall V. Noecker, John J. Smith, L.K. Smith, J.N. DeBoer, Blair H. Thompson, David W. Hockenbrocht, Robert J. Kirk, Ned A. Kilmer, R. Jan Appel, Bill H. Bowerman.

Divisions and Subsidiaries:

Sparton Electronics Division
2400 East Ganson Street
Jackson, Michigan 49202
(517) 787-8600

High reliability electronic, electro-mechanical and mechanical equipment for the U.S. military, particularly in oceanography, communications and navigation, sonobuoys, under-water ordnance and anti-submarine warfare.

Sparton Manufacturing Company
P.O. Box 399
Old U.S. Highway 50, W.
Flora, Illinois 62839
(618) 662-2101

Automobile, truck, marine, ordnance and industrial horns, directional signals for trucks and off highway construction equipment, automotive and marine safety accessories, and automotive stampings.

Sparton of Canada, Ltd.
100 Elm Street
London, Ontario, Canada N6A 4N2
(519) 455-6320

Military electronic equipment for the Canadian government.

Trent Industrial Products
Campbellford, Ontario, Canada

Sparton Electronics Florida, Inc.
Johnson Lake Road
Box 788
DeLeon Springs, Florida 32028
(904) 985-4631

Sparton Technology, Inc.
4901 Rockaway Boulevard, S.E.
Rio Rancho, New Mexico 87124

Deming Electronics
Deming, New Mexico

Sparton Indiana, Inc.
301 East Bridge Street
Brownstown, Indiana 47220
(812) 358-3664

Allied Automation Systems
17333 Healy Avenue
Detroit, Michigan 48212
(313) 892-3040

Highly engineered power conveyor equipment, automatic tire mounting machines and automated materials handling equipment primarily for the automotive industry.

Sparton Technology, Inc.
9621 Coors Road, N.W.
Albuquerque, New Mexico 87103
(505) 898-1150

High reliability sub-assemblies for detection satellites; precision electro-mechanical components for weapon arming, fuzing and control; programmed automatic test equipment; transducers and related instruments for guidance, control and telemetry of guided missiles and piloted aircraft. Products for the commercial/industrial markets include telecommunications pressure sensors, electrical conversion kits adaptable to mechanical chart drive recorders currently used by the oil industry, pressure switches, velocity gages and pressure transducers.

Sparton Manufacturing Sales Office (OEM)
One Ajax Drive
Madison Heights, Michigan 48071

Sparton Manufacturing Company
Blytheville, Arkansas

Sparton Manufacturing Company
Grayville, Illinois

Lake Odessa Machine Products
1201 North 4th Avenue
Lake Odessa, Michigan 48849
(616) 374-8863

Manufacturer of automotive parts and accessories consisting primarily of small and medium chassis underbody and innerbody stampings and wire accessories.

Lake Odessa Machine Products, Inc.
Cedar Springs, Michigan

LA-KO Products
Gladwin, Michigan

Michigan Oil Company
603 Lansing Avenue
Jackson, Michigan 49202
(517) 788-9770

Exploration and production of oil and gas in the Michigan Basin.

Transfer Agent(s):

The Huntington Bank of Northeast Ohio
917 Euclid Avenue
Cleveland, Ohio 44101

Bradford Trust Company
2 Broadway
New York, NY 10004

Stock Exchange(s): New York

Ticker Symbol: SPA

Plant Footage:

1984	N.A.	1981	1,104,068
1983	N.A.	1980	1,104,068
1982	1,200,000 sq. ft.		

N.A. - Not Available

Sales and Earnings

	Net Sales †	Net Income
1984	$ 135,803,116	$ 7,731,414
1983	124,080,941	9,176,051
1982	100,183,549	5,902,730
1981	111,539,742	7,300,687
1980	84,447,253	2,298,520

	No. of Com. Shares +	Earn. per Share +
1984	6,854,362	$ 1.13
1983	6,831,852	1.34
1982	6,824,614	0.86
1981	6,822,506	1.07
1980	6,822,308	0.34

† Manufacturing revenues; of continuing operations only.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Defense electronics	$ 81,997,698	$ 82,978,657
Commercial/industrial elec.	20,189,311	18,642,838
Auto & industrial prods.	33,616,107	22,459,446
Oil & gas	6,500,755	6,852,065
Total	$ 142,303,871	$ 130,933,006

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.45	—	2-for-1
1983	0.315	—	—
1982	0.30	—	—
1981	0.25	—	2-for-1
1980	0.2125	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 53,262,616	$ 7.75
1983	48,449,660	7.08
1982	41,364,025	6.06
1981	37,494,958	5.50
1980	32,021,261	4.68

† Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Manufacturing:		
Net sales	$ 135,803,116	$ 124,080,941
Cost of sales	104,930,057	94,475,390
Expenses	16,173,424	12,374,809
Oper. income	$ 14,699,635	$ 17,230,742
Oil & Gas:		
Revenues	6,500,755	6,852,065
Costs & exp.	8,345,150	9,020,880
Oper. loss	$ (1,844,395)	$ (2,168,815)
Interest expense	35,712	851,329
Other income	(959,107)	(760,482)
Income before taxes	$ 13,778,635	$ 14,971,080
Income taxes	5,996,000	6,569,000
Inc. - cont. oper.	$ 7,782,635	$ 8,402,080
Inc. (loss)-disc. oper.	(51,221)	773,971
Net Income	$ 7,731,414	$ 9,176,051

* Included in Costs and Expenses, Depreciation and Depletion: $2,897,020 in 1984 and $3,148,204 in 1983.

Assets

As of June 30	1984	1983
Cash & short-term invest.	$ 3,803,513	$ 6,587,108
Accts. receiv., net	15,152,838	14,874,047
*Inventories	32,026,944	21,839,285
Prepaid expenses	1,416,235	940,366
Current Assets	$ 52,399,530	$ 44,240,806
#Fixed assets	12,576,894	11,612,067
‡Oil and gas prop.	12,836,674	11,443,262
Other assets	864,888	586,799
Total Assets	$ 78,677,986	$ 67,882,934

Liabilities

Accts. payable	$ 13,643,068	$ 7,564,184
Accruals	3,489,042	3,595,905
Salaries and wages	1,912,636	2,035,359
Dividends declared	824,471	615,558
Income taxes	1,422,538	2,763,490
Deferred compensation	800,000	—
Curr. Liabilities	$ 22,091,755	$ 16,574,496
Deferred compensation	853,615	1,867,778
Deferred inc. taxes	1,745,000	991,000
+ Common stock	8,588,235	4,275,305
Add. paid-in capital	96,298	83,533
Retained earnings	44,578,083	44,090,822
Total Liabilities & Shareholders' Equity	$ 78,677,986	$ 67,882,934

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated depreciation and depletion.
+ $1.25 par value.

Statistical Summary

%Net Income to Equity	14.52	18.94
Working Capital	$30,307,775	$27,666,310
Current Ratio	2.37	2.67
Shareholders' Equity	$53,262,616	$48,449,660

Spectra-Physics, Inc.

3333 North First Street
San Jose, California 95134
(408) 946-6080

Officers: Herbert M. Dwight, Jr., chairman, president & chief exec. officer; Joseph F. Rando, v.p.-advanced product development; Michael R. Gaulke, sr. v.p. & chief financial officer; Ted L. Teach, v.p. & div. mgr.; Kenneth A. Ruddock, v.p.; Klaus F. Derge, v.p.-int'l; William L. Overell, v.p. & controller; John J. Poggi, Jr., v.p., corporate counsel & secretary; Michael E. Kahn, Alfred P. Hildebrand, Michael Hodges, v.p.'s & div. mgrs.

Directors: Herbert M. Dwight, Jr.*, chairman; William E. Ayer, Everett A. Couper*, John G. Linvill, John M. Lillie, Kenneth A. Ruddock, Thomas J. Perkins*.

* Member of the Executive Committee.

Areas of Work: Engaged in the research, development, manufacture and sale of gas lasers, laser and optical accessories, and chromotography automation equipment, ranging from construction alignment equipment, and electronic instrumentation for analytical instruments.

Divisions:

Laser Products Division
Mountain View, California
Manufactures gas and dye lasers and instruments.

Laser Analytics Division
Bedford, Massachusetts
Produces laser source spectrometers.

Autolab Division
San Jose, California
Manufactures chromatography instruments.

Construction and Agricultural Division
Dayton, Ohio
Engaged in the manufacture of laser instruments for engineering and construction alignment and guidance and control systems for earth-moving equipment.

Laser Systems Division
Eugene, Oregon
Designs and produces gas lasers and electronic label reading devices.

Optics Division
Mountain View, California
Produces laser lenses and mirrors.

Industrial Laser Division
San Jose, California

Spectra Diode Laboratories, Inc.
San Jose, California

Spectra Technology, Inc.
Bellevue, Washington

Subsidiaries:

Spectra-Physics, Ltd.
17 Brick Knoll Park
St. Albans A11 5UF
Herts, England

Spectra-Physics, B.V.
Prof. Dr. Dorgelolaan 20
5613 AM Eindhoven
Eindhoven, The Netherlands

Spectra-Physics, S.R.L.
Milan, Italy

Spectra-Physics, A.G.
Schweizergasse 39
4054 Basel
Switzerland

Spectra-Physics, GmbH
Siemenstrasse 20
D-6100 Darmstadt-Kranichstein
West Germany

Spectra-Physics, S.A.R.L.
Avenue de Scandinavie
Z.A. de Courtaboeuf
91941 Les Ulis Cedex
France

Spectra-Physics K.K.
Higashiyama Building 5F
1-1-2 Higashiyama
Meguro-Ku, Tokyo 153
Japan

Sperctra-Physics International Finance N.V.
De Ruyterkade 62
Curacao
Netherlands Antilles

Spectra-Physics Proprietary Ltd.
826 Mountain Highway
Bayswater, Victoria 3152
Australia

Spectra-Physics Canada, Inc.
1111 Britannia Road East
Mississauga, Ontario
Canada L4W 3X1

Joint Ventures:

Spectra-Diode Laboratories, Inc.
Produces and markets miniature devices and laser systems for specialized communications, optical storage and other applications.

Transfer Agent(s):

Bank of Boston
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: SPY

Number of Employees:

1984	2,528	1981	2,104
1983	2,110	1980	2,222
1982	2,019		

Plant Footage:

1984	N.A.	1981	872,000
1983	865,000 sq. ft.	1980	819,000
1982	865,000		

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 170,605,000	$ 5,894,000
1983	143,205,000	(8,473,000)
1982	136,976,000	1,027,000
1981	135,740,000	2,518,000
1980	139,611,000	9,742,000

	No. of Com. Shares #	Earn. per Share #
1984	6,011,000	$ 0.98
1983	5,221,000	—
1982	4,674,000	0.22
1981	4,598,000	0.55
1980	4,747,000	2.17

‡ Including extraordinary loss of $9,619,000 in 1983.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business

	1984	1983
Instruments	$ 80,852	$ 77,704
Industrial laser applications	51,196	36,388
Laser systems & components	38,557	29,113
Total	$ 170,605	$ 143,205

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 96,444,000	$ 16.04
1983	88,690,000	16.99
1982	66,930,000	14.32
1981	64,416,000	14.01
1980	57,434,000	12.09

‡ Based on the weighted average number of common shares and common share equivalents shares outstanding.

Income Account
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 170,605	$ 143,205
Cost of sales	96,840	80,802
Expenses:		
Res. & Develop.	16,995	14,508
Marketing	46,715	42,176
Interest expense	2,196	3,871
Income before taxes	$ 7,859	$ 1,848
Income taxes	1,965	702
Net Income	$ 5,894	$ 1,146
Extraord. loss	—	(9,619)
Net Income (Loss) & extraord. loss	$ 5,894	$ (8,473)

Assets
(000's)

As of Sept. 30	1984	1983
Cash	$ 5,971	$ 10,679
Accts. receiv., net	40,660	35,410
*Inventories	41,369	33,810
Prepaid expenses	3,478	1,555
Current Assets	$ 91,478	$ 81,454
#Fixed assets	47,793	45,470
Other assets	5,627	4,845
Intangibles	13,012	13,875
Total Assets	$ 157,910	$ 145,644

Liabilities
(000's)

	1984	1983
Accts. payable	$ 6,870	$ 5,979
Accruals	14,823	13,323
Income taxes	4,369	919
Long-term debt, curr.	1,048	1,036
Curr. Liabilities	$ 27,110	$ 21,257
Long-term debt	27,848	28,523
Capitalized leases	4,113	4,851
Deferred income taxes	2,395	2,323
+ Common stock	1,193	1,168
Add. paid-in capital	60,106	57,668
Retained earnings	38,953	33,059
Accum. trans. adjust.	(3,808)	(3,205)
Total Liabilities & Shareholders' Equity	$ 157,910	$ 145,644

* At lower of standard cost (FIFO) or market, after allowance for obsolete, slow-moving and defective goods.
# Less accumulated depreciation.
+ $0.20 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	4.61	1.29
%Net Income to Sales	3.45	0.80
%Net Income to Equity	6.11	1.29
Sales to Inventories	4.12	4.24
Working Capital	$64,368,000	$60,197,000
Current Ratio	3.37	3.83
Shareholders' Equity	$96,444,000	$88,690,000

Spectrum Control, Inc.

2185 West Eighth Street
Erie, Pennsylvania 16505
(814) 455-0966

Officers: Thomas L. Venable, chairman of the board & president; Geoffrey Robinson, sr. v.p.-engineering; Glenn L. Warnshuis, v.p.-engineering; Elmer Ziegler, v.p.-quality control; John R. Lane, exec. v.p.; Peter Rode, v.p.-manufacturing; Jon Van Amringe, v.p. & chief financial officer; James A. Siegel, treasurer; Louise A. Stuart, v.p.-manufacturing; Jack Baker, v.p.-engineering; Olin Stancliff, v.p.-manufacturing; James F. Toohey, secretary; William R. Crotty, Sr., sr. v.p. & staff asst. to board of directors.

Directors: William R. Crotty, Sr., John R. Lane, John P. Leemhuis, John M. Petersen, James F. Toohey, Gerald A. Ryan, Thomas L. Venable, Glenn Warnshuis.

Areas of Work: Designs, manufactures and markets electromagnetic components which are used to filter out electronic pollution or interference in modems, communication receivers, and other electronic equipment.

Divisions:

Electromagnetic Division
8061 Avonia Road
Fairview, Pennsylvania 16415

Material Science Division
600 Erie Street
Saegertown, Pennsylvania 16433

Western Electromagnetic Division
28106 Avenue Crocker
Valencia, California 91355
(805) 257-2280

Connecting Devices Division
6000 West Ridge Road
Erie, Pennsylvania 16506

Subsidiaries:

Spectrum Engineering International, Inc.

Spectrum Control, Inc.

Transfer Agent(s):

First Pennsylvania Bank
Fund/Plan Services, Inc.
P.O. Box 8070
Philadelphia, Pennsylvania 19101

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SPEC (NASDAQ)

Number of Employees:

1984	N.A.	1982	450
1983	500	1981	450

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 22,199,754	$ 2,267,932
1983x	17,561,888	1,689,480
1982	16,040,999	1,726,093
1981	16,510,454	1,437,736
1980	14,302,706	1,077,542

	No. of Com. Shares	Earn. per Share ‡
1984	5,316,399	$ 0.43
1983x	5,307,232	0.32
1982	5,297,668	0.32
1981	5,297,568	0.30
1980	3,980,768	0.25

x Restated to reflect change in accounting method to comply with FASB Statement No. 43 concerning compensated absences.
‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.05	—	—
1983	0.05	—	—
1982	0.05	—	—
1981	0.04	—	—
1980	0.035	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 14,181,918	$ 2.67
1983x	12,792,937	2.41
1982	12,068,318	2.28
1981	10,290,139	1.94
1980	3,906,518	0.98

x Restated

Income Account *

Year ended Nov. 30	1984	1983 ‡
Net sales	$ 22,199,754	$ 17,561,888
Cost of sales	13,308,579	12,373,925
Expenses	4,898,082	4,271,890
Dividend & int. income	(552,923)	(1,750,012)
Interest expense	1,261,611	948,922
Income before taxes	$ 3,284,405	$ 1,717,163
Income taxes (credit)	1,016,473	(111,696)
Cum. effect of accting. change	—	139,379
Net Income	$ 2,267,932	$ 1,689,480

* Included in Costs and Expenses, Depreciation and Amortization: $917,364 in 1984 and $817,463 in 1983.
‡ Restated.

Assets

As of Nov. 30	1984	1983 ‡
Cash	$ 105,381	$ 158,747
Accts. receiv., net	4,184,026	3,306,617
Dividends receiv.	105,475	158,490
Notes receiv.	84,000	84,000
*Inventories	7,083,089	4,636,743
Prepaid expenses	26,536	90,798
Prepaid inc. taxes	88,058	117,067
Claim for refund of inc. taxes	24,050	1,118,522
Current Assets	$ 11,700,615	$ 9,670,984
Investments	7,732,771	7,211,761
#Fixed assets	10,557,434	8,371,861
Other assets	837,613	703,416
Total Assets	$ 30,828,433	$ 25,958,022

Liabilities

	1984	1983 ‡
Long-term debt, curr.	$ 125,805	$ 89,524
Short-term debt	3,303,897	3,495,000
Accts. payable	1,417,277	1,495,003
Accrued payroll	301,040	332,652
Accrued vac. pay	356,617	320,689
Profit sharing	150,000	140,000
Accrued interest	6,352	27,693
Income taxes	137,048	30,110
Curr. Liabilities	$ 5,798,036	$ 5,930,671
Long-term debt	8,636,180	5,986,341
Deferred inc. taxes	1,955,511	1,071,492
Def. compensation	256,788	176,581
+ Common stock	6,270,353	6,244,313
Retained earnings	9,276,747	7,274,338
Unreal. loss on eq. securities	(1,365,182)	(725,714)
Total Liabilities & Shareholders' Equity	$ 30,828,433	$ 25,958,022

‡ Restated.
* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983 ‡
%Income bef. Taxes to Sales	14.79	9.78
%Net Income to Sales	10.22	9.62
%Net Income to Equity	15.99	13.21
Sales to Inventories	3.13	3.79
Working Capital	$ 5,902,579	$ 3,740,313
Current Ratio	2.02	1.63
Shareholders' Equity	$14,181,918	$12,792,937

Sperry Corporation

(formerly Sperry Rand Corporation)

1290 Avenue of the Americas
New York, New York 10104
(212) 956-2121

Officers: Gerald G. Probst, chairman of the board & chief executive officer; Vincent R. McLean, executive v.p. & chief financial officer; John A. Huston, sr. v.p. & general counsel; Frank D. Sweeten, sr. v.p.-organization & personnel; Gerald K. Howard, v.p.-tax; Charles H. Schmitter, secretary; John Greifenberger, v.p. & controller; Thomas V. Hirschberg, v.p.-finance; Abner B. Martin, senior v.p.-defense & aerospace; H.G. McCarty, v.p. & president-Sperry New Holland; Joseph J. Kroger, executive v.p. & president Information Systems Group; Raymond L. Colotti, v.p.-finance; Paul J. Spillane, v.p.-manufacturing & technology; John H. Forsgren, treasurer; Joseph J. Campanella, v.p. & president-Aerospace and Marine Group; Edwin D. Decker, v.p. & president-Defense Products Group; Kurt Merl v.p. & president-Systems Management Group; Robert L. Wendt, v.p.-executive development.

Directors: James D. Finley, Gerald G. Probst*, Willard S. Boothby, Jr., Norma T. Pace*, Richard R. Shinn*, Donald V. Seibert*, William L. Wearly, Vincent R. McLean*, Edward A. Feigenbaum, Frank C. Carlucci, Joseph J. Kroger.

*Member of the Executive Committee.

Divisions:

Sperry Division
Great Neck, New York 11020
(516) 574-1111

Guidance and control systems, electronic components, radar, sonar devices, aerospace and marine navigation equipment, technical and business management of complex systems programs, and electro-optics.

Sperry Univac Division
P.O. Box 500
Blue Bell, Pennsylvania 19424
(215) 542-4011

Electronic data processing systems for commercial and defense applications, peripheral equipment and supplies, minicomputers; information service facilities, office equipment. Through its Defense Systems operations, Sperry Univac designs, develops, and produces durable land-based, shipboard and airborne computers for the U.S. government.

Sperry New Holland Division
New Holland, Pennsylvania 17557
(717) 354-1121

Farm machinery and industrial equipment.

Sperry Vickers Division
1401 Crooks Road
P.O. Box 302
Troy, Michigan 48084
(313) 576-3000

Fluid power components and systems for mobile, industrial, aerospace, marine, and ordnance equipment, numerical control systems for industrial equipment, industrial electromechanical, clutches and brakes, winches, power take-offs, and gear reducers for mobile, marine, and industrial applications.

Sperry Flight Systems Division
21111 North 19 Avenue
Phoenix, Arizona 85027
(602) 942-2311

Manufacturer of navigation, guidance and control systems and instruments used in miliary aircraft, commercial aviation, general aviation (the civilian non-airline market) and aerospace vehicles.

Foreign Subsidiaries:

Sperry Rand Australia Limited
Dandenong, Victoria, Australia

Sperry Rand GmbH
Vienna, Austria

Sperry Rand Argentina, S.A. Commercial
E Industrial
Buenos Aires, Argentina

Sperry Rand (Ireland) Limited
Cobham, Surrey, Ireland

Sperry Rand Asia, Inc.
Tokyo, Japan

Sperry Rand Espanola, S.A.
Barcelona, Spain

Remington Rand Colombiana S.A.
Bogota, Colombia

Sperry Rand Limitada
Lisbon, Portugal

Sperry Rand Singapore (PTE) Limited
Singapore

Sperry Rand South Africa (Proprietary) Limited
Johannesburg, South Africa

Sperry Rand Peruana, S.A.
Lima, Peru

Sperry Rand Denmark
Copenhagen, Denmark

Oy Sperry Rand AB
Helsinki, Finland

Sperry Rand (HK) Ltd.
Hong Kong

Sperry Rand Korea Ltd.
Seoul, Korea

Sperry Rand Mexicana
Mexico City, Mexico

Sperry Rand NZ Ltd.
Auckland, New Zealand

Sperry Rand NORGE A/S
Oslo, Norway

Sperry Rand Venezuela C.A.
Caracas, Venezuela

Trade Industry Sperry Rand Hellas
Athens, Greece

Sperry Rand Belgium
Brussels, Belgium
Zedelgem, Belgium

Sperry Rand do Brasil S.A.
Rio de Janeiro, Brazil

Sperry Rand Canada Limied
Mississauga, Ontario, Canada

Sperry Rand Limited
London, England

Sperry Rand France S.A.
Coubevoie, France

Sperry Rand Gmb H
Frankfurt/Main, Germany

Sperry Rand Italia S.p.A.
Milan, Italy

Sperry Rand A/B
Stockholm, Sweden

Univac Iran Company (Associated Company)
Teheran, Iran

Sperry Rand A.G.
Zurich, Switzerland

Sperry Rand International Corporation
Liberia

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, Amsterdam, Basel, Brussels, Dusseldorf, Frankfurt, Geneva, Lausanne, London, Munich, Paris, Tokyo, Vienna, Zurich

Ticker Symbol: SY

Number of Employees:

1985	N.A.	1982	58,720
1984	73,447	1981	92,476
1983	77,493		

N.A.-Not Available

Sales and Earnings

	Net Sales ‡ (000's)	Net Income (000's)
1985	$ 5,687,200	$ 286,700
1984	4,914,000	216,200
1983	4,663,600	118,100
1982	5,045,300	221,800
1981	4,896,100	311,200

	No. of Com. Shares	Earn. per Share #
1985	56,747,939	$ 5.15
1984	54,347,911	4.17
1983	45,536,635	2.65
1982	42,950,606	5.25
1981	41,279,217	7.63

‡ Includes service revenues; of continuing operations only.
# Based on average number of shares outstanding.

Sperry Corporation

Revenues By Line of Business
(000's)

	1985	1984
Computer equipment	$ 4,152,500	$ 3,377,300
Electronic equipment	820,600	808,200
Farm equipment	714,100	728,500
Total	$ 5,687,200	$ 4,914,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$1.92	—	—
1984	1.92	—	—
1983	1.92	—	—
1982	1.92	—	—
1981	1.76	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1985	$ 3,001,100	$ 52.88
1984	2,802,900	51.57
1983	2,398,900	52.68
1982	2,384,400	55.51
1981	2,323,100	56.28

Income Account *
(000's)

Year ended March 31	1985	1984
Net sales	$ 4,159,300	$ 3,368,700
Rentals & services	1,527,900	1,545,300
Other income	7,400	36,000
Total Income	$ 5,694,600	$ 4,950,000
Cost of sales	2,906,600	2,248,400
Cost of rentals & services	760,500	805,700
Expenses	1,559,200	1,425,800
Interest expense	174,400	166,600
Income before taxes	$ 293,900	$ 303,500
Income taxes	7,200	103,500
Inc.-cont. oper.	$ 286,700	$ 200,000
Inc. discont. oper.	—	16,200
Net Income	$ 286,700	$ 216,200

* Included in Costs and Expenses, Depreciation, Amortization and Obsolescence: $255,600,000 in 1985 and $203,700,000 in 1984.

Assets
(000's)

As of March 31	1985	1984
Cash	$ 137,300	$ 166,800
Accts. & notes receiv., net	1,481,400	1,200,200
*Inventories	1,567,100	1,180,200
Prepaid expenses	123,800	91,900
Curent Assets	$ 3,309,600	$ 2,639,100
Investments	446,500	427,400
Long-term receiv.	995,100	1,415,800
#Fixed assets	693,800	626,600
‡Rental machines	204,600	214,400
Other assets	123,800	179,300
Total Assets	$ 5,773,400	$ 5,502,600

Liabilities
(000's)

	1985	1984
Bank & other loans	$ 125,200	$ 111,800
Long-term debt, curr.	20,900	35,200
Accts. payable & accruals	1,170,300	1,112,900
Dividends payable	27,200	26,200
Income taxes	260,500	270,000
Curr. Liabilities	$ 1,604,100	$ 1,556,100
Long-term debt	889,000	709,700
Deferred inc. taxes	279,200	433,900
+ Common stock	28,400	27,200
Add. paid-in capital	987,900	907,200
Retained earnings	2,279,100	2,099,800
Translation adjust.	(294,300)	(231,300)
Total Liabilities & Shareholders' Equity	$ 5,773,400	$ 5,502,600

* At lower of cost (average and LIFO) or market.
# Less accumulated depreciation and amortization.
‡ Less accumulated depreciation and absolescense.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.07	—
%Net Income to Sales	6.89	—
%Net Income to Equity	9.55	7.71
Sales to Inventories	2.65	2.85
Working Capital	$1,705,500,000	$1,083,000,000
Current Ratio	2.06	1.70
Shareholders' Equity	$3,001,100,000	$2,802,900,000

Spex Industries, Inc.

3880 Park Avenue
Edison, New Jersey 08820

Officers: Jud B. Flato, president, treasurer & director; John F. Rendina, exec. v.p.; Charles W. Gibney, v.p.-finance; Louis S. Casper, v.p.-sales; Warren Miller, v.p.-chem.; Charles L. Jaffin, secretary.

Directors: Jud B. Flato, Robert F. Johnston, Bradford Mills.

Areas of Work: Engaged in the design, manufacture and sale of electronic instruments used primarily for chemical analysis, including digital photometers, spectrometric systems, and digital scanners.

Subsidiaries:

Spex Industries, GmbH
Iblherstrasse 53
D8000 Munchen 83
West Germany

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SPEX (NASDAQ)

Number of Employees:

1983	109	1981	110
1982	N.A.		

N.A.-Not Available

Plant Footage:

1983	69,000 sq. ft.	1981	63,000
1982	63,000	1980	35,000

Sales and Earnings

	Net Sales	Net Income
1983	$ 9,726,362	$ 1,188,803
1982	8,816,857	1,078,473
1981	8,633,554	1,211,485
1980	7,738,980	748,432
1979	6,665,189	840,455

	No. of Com. Shares ‡	Earn. per Share ‡
1983	1,524,671	$ 0.78
1982	1,524,036	0.71
1981	1,524,036	0.80
1980	1,506,970	0.50
1979	1,504,296	0.56

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	—	—
1982	—	—	—
1981	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 11,436,335	$ 7.50
1982	10,224,644	6.71
1981	9,119,921	5.99
1980	7,902,796	5.24
1979	7,268,181	4.83

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 9,726,362	$ 8,816,857
Cost of sales	4,594,285	4,743,112
Expenses	3,193,683	2,639,255
Interest expense	72,507	32,256
Other charges (income)	20,350	(2,436)
Other income	(280,266)	(449,599)
Income before taxes	$ 2,125,803	$ 1,854,269
Income taxes	937,000	775,796
Net Income	$ 1,188,803	$ 1,078,473

* Included in Costs and Expenses, Depreciation: $239,219 in 1983 and $156,268 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 3,465,259	$ 2,192,335
Marketable securities	129,543	1,017,085
Accrued int. receiv.	53,864	47,216
Accts. receiv., net	1,801,720	1,556,407
*Inventories	3,327,203	2,725,929
Other assets	36,610	82,352
Prepaid income taxes	—	71,811
Current Assets	$ 8,814,199	$ 7,693,135
#Fixed assets	2,709,405	2,711,750
Other assets	2,029,620	1,673,712
Total Assets	$ 13,553,224	$ 12,078,597

Liabilities

	1983	1982
Long-term debt, curr.	$ 69,226	$ 144,442
Accounts payable	313,846	298,420
Advances from customers	—	7,435
Income taxes	160,161	—
Other taxes	254,707	14,961
Other liabilities	360,073	386,594
Curr. Liabilities	$ 1,158,013	$ 851,852
Long-term debt	866,667	935,892
Deferred income taxes	92,209	66,209
+ Common stock	152,502	152,404
Add. paid-in capital	1,024,973	1,002,183
Retained earnings	10,258,860	9,070,057
Total Liabilities & Shareholders' Equity	$ 13,553,224	$ 12,078,597

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	21.86	21.03
%Net Income to Sales	12.22	12.23
%Net Income to Equity	10.39	10.55
Sales to Inventories	2.92	3.23
Working Capital	$ 7,656,186	$ 6,841,283
Current Ratio	7.61	9.03
Shareholders' Equity	$11,436,335	$10,224,644

Spire Corporation

Patriots Park
Bedford, Massachusetts 01730
(617) 275-6000

Officers: Roger G. Little, chairman, chief executive officer, president & treasurer; Andrew D. MacKay, exec. v.p., chief operating & chief financial officer; Richard S. Gregorio, controller; Stephen M. Honig, clerk; Robert G. Wolfson, v.p.-research; Hans F. Hoyer, v.p.-electronics; Ghazi Darkazalli, v.p.-photovoltaics; Piran Sioshansi, v.p.-metals; Robert E. Gedney, director-corporate operations; Reznor L. Orr, director-corporate marketing; C. Lyn Little, mgr.-human resources.

Directors: Roger G. Little, chairman; Alfred John Gale; James D. Gerson; Charles K. Leeper; Andrew D. MacKay; John A. Tarello.

Areas of Work: The company fabricates and sells manufacturing equipment used by the photovoltaic industry for the production of solar modules and cells and by the electronics industry for the processing of semiconductor materials and devices; conducts contract supported material and process research relating to photovoltaic energy, semiconductor materials and metal surface modification industries, and provides contract services for the treatment of semiconductor materials and metal surfaces.

Subsidiary:

Spire International Sales Corporation

Transfer Agent(s):

The Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SPIR (NASDAQ)

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 9,455,000	$ 852,000
1983	5,759,000	423,000
1982	4,375,000	(37,000)
1981	4,091,000	(432,000)
1980	4,118,000	51,000

	No. of Com. Shares #	Earn per Share #‡
1984	3,388,000	$ 0.25
1983	2,757,000	0.15
1982	2,380,000	—
1981	2,350,000	—
1980	2,403,000	0.02

(Loss)
‡ Including extraordinary gain of $101,365 ($0.04 per share) in 1983.
# Based on the weighted average number of common shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	—
1981	—	—	—
1980	—	—	40-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 6,829,000	$ 2.02
1983	5,355,000	1.94
1982	432,000	0.18
1981	469,000	0.20
1980	895,000	0.37

‡ Based on the weighted average number of common shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Contract & serv. revenues	$ 7,353,435	$ 4,339,214
Sales of mfg. equip.	2,102,031	1,141,390
Equip. sale	—	278,000
Total revenues	$ 9,455,466	$ 5,758,604
Cost of sales	6,494,915	4,212,637
Equip. sale exp.	—	3,786
Expenses	2,332,931	981,648
Interest expense (income)	(312,957)	101,145
Income bef. taxes	$ 940,577	$ 459,388
Income taxes	89,000	137,365
Net Income	$ 851,577	$ 322,023
Extraord. gain	—	101,365
Net Income & extraord. gain	$ 851,577	$ 423,388

* Included in Costs and Expenses, Depreciation and Amortization: $376,962 in 1984 and $305,189 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 105,163	$ 1,661,733
Marketable securities	2,306,759	2,999,294
Accts. receiv., net	2,714,061	1,243,018
*Inventories	1,223,688	565,671
Prepaid expense	144,366	144,297
Current Assets	$ 6,494,037	$ 6,614,013
#Fixed assets	3,064,819	827,760
Other assets	107,514	93,095
Intangibles	83,349	82,194
Total Assets	$ 9,749,719	$ 7,617,062

Liabilities

	1984	1983
Long-term debt, curr.	$ 24,792	$ 81,225
Accts. payable	734,473	149,152
Accruals	397,273	288,375
Advances on contracts	1,714,472	1,700,977
Curr. Liabilities	$ 2,871,010	$ 2,219,729
Deferred income taxes	31,300	—
Long-term debt	18,317	42,552
+ Common stock	32,313	30,911
Add. paid-in capital	5,609,315	4,988,501
Retained earnings	1,187,464	335,887
Treasury stock	—	(518)
Total Liabilities & Shareholders' Equity	$ 9,749,719	$ 7,617,062

* At lower of cost (average) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1984	1983
% Income bef. Taxes to Revenues	9.95	7.98
% Net Income to Revenues	9.01	5.59
% Net Income to Equity	12.47	6.01
Working Capital	$3,623,027	$4,394,284
Current Ratio	2.26	2.98
Shareholders' Equity	$6,829,092	$5,354,781

Square D Company

Executive Plaza
Palatine, Illinois 60067
(312) 397-2600

Officers: Dalton L. Knauss, chairman & chief executive officer; R. E. King, president-electrical group; Donald E. Wilson, v.p.-finance, secretary & chief financial officer; John N. Daniel, Thomas H. Brown, Charles W. Denny, III, v.p.'s & division mgrs.; Dexter S. Free, treasurer & asst. secretary; Richard A. Hegeman, v.p.-marketing; G.R. Hunter, v.p.-international; John F. LaShorne, controller, asst. secretary & chief accounting officer; Roger A. Sackett, v.p.-manufacturing electrical group; K.R. Stull, v.p.-international marketing; James M. Vetta, v.p.-personnel relations; Thomas W. Wilbur, v.p.-distributor relations & marketing administration; Richard M. O'Neal, v.p.-sales; Simon Yin, v.p.-research & development; E.A. Kemper, v.p.-corp. planning & asst. secretary; Charles E. Quentel, v.p.-engineering and quality assurance.

Directors: Dalton L. Knauss*, chairman; Michael L. Besson, Donald C. Clark*, Robert F. Froehlke, H. Everton Hosley, Jr., R.E. King, David B. Meeker*, William C. Messinger*, Gustave H. Moede, Jr.*, Frank J. Morgan, E.F. Mulligan, John E. Struggles, Donald E. Wilson.

* Member of the Executive Committee.

Areas of Work: The Company is involved in two business segments: electrical equipment and electronic products. The electrical equipment group manufactures and markets electrical products including switches, circuit breakers, panelboards, switchbeards, transformers, motor starters, relays and accessories such as pushbuttons, limit, pressure and vacuum switches. The products are marketed to electrical contractors, electrical utilities and industrial plants.

The electronic products segment is engaged in the manufacture and sale of electrodeposited copper foil, semiconductor devices, power conditioning equipment, programmable controllers, energy management systems, infrared radiation thermometers and pyrometers, computerized control and data gathering systems, industrial assembly robots, emergency lighting devices, snap dome switches and other electronic devices.

Divisions and Subsidiaries:

Square D Canada Electric Equipment Inc.
Toronto, Ontario, Canada

Equipment Electrique Square D Canada Inc.
Mississauga, Dutorio

Square D Limited
Esher, Surrey, England

Square D de Mexico, S.A. de C.V.
Mexico City, Mexico

Palatine-Ridge Insurance Company Ltd.
Hamilton, Bermuda

Versamex S.A. de C.V.
Mexico City, Mexico

Square D Italia, S.p.A.
Arenzano, Italy

Square D Company Australia Pty. Ltd.
Melbourne, Australia

Square D Company Ireland Ltd.
Ballinasloe
County Galway, Ireland

Square D France S.A.
Paris, France

Square D GmbH
Darmstadt, West Germany

Ircon Pyrometers, Inc.
Champigny sur Marne, France

Ircon GmbH
Taunusstein, West Germany

Square D Starkstrom GmbH
West Germany

Square D Andina, S.A.
Latacunga, Ecuador

Square D Centroamericana, S.A.
San Jose, Costa Rica

Engineered Systems, Inc.
Tempe, Arizona

KB-Denver, Inc.
Frederick, Colorado

Comercial y Fabril Aper, S.A.
Barcelona, Spain

Square D (Singapore) Pte. Ltd.
Singapore

Yates Industries, Inc.
Beaumont, California
Bordentown & Moorestown, New Jersey
Haverhill Massachusetts

Yin Research Corporation
Fremont, California

Square D (Saudi Arabia) Limited
Riyadh, Saudi Arabia

Lumacell, Inc.
Scarborough, Ontario, Canada
Lachine, Quebec, Canada

Yates Industries (Ireland) Ltd.
Little Island, Irish Republic

Yates Industries, Inc.
U.S. Highway 130
Bordentown, New Jersey 08505
(609) 298-4800

Manufactures electrodeposited copper foil for use in printed circuit applications, thru-wall flashings and moisture proofing products, and laminated steel stampings.

General Semiconductor Industries, Inc.
2001 West Tenth Place
Tempe, Arizona 85281
(602) 968-3101

Manufactures zener diodes, switching power transistors, and transient voltage suppressors.

General Semiconductor Ireland Ltd.
Macroom, Ireland

Yates Industries, S.A.
Wiltz, Luxembourg

Yates Circuit Foil Co., Ltd.
Silloth, England

Square D Benelux B.V.
Woerden, The Netherlands

Palatine Hills Leasing, Inc.
Palatine, Illinois

Ramsey Controls, Inc.
Mahwah, New Jersey

Square D Ventures Corporation
Palatine, Illinois

Ircon, Inc.
Niles, Illinois

Topaz, Inc.
San Diego, California

United States Robots, Inc.
King of Prussia, Pennsylvania

Yin, Inc.
San Leandro, California

Transfer Agent(s):

National Bank of Detroit
611 Woodward Avenue
Detroit, Michigan 48226

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: SQD

Number of Employees:

1984	22,600	1981	22,700
1983	21,200	1980	22,000
1982	21,100		

Plant Footage:

1984	N.A.	1981	8,479,000
1983	9,298,000 sq. ft.	1980	7,752,000
1982	8,792,000		

N.A.: Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$1,365,504,000	$ 106,153,000
1983	1,144,137,000	62,911,000
1982	1,056,981,000	71,700,000
1981	1,151,615,000	103,682,000
1980	1,022,030,000	85,599,000

	No. of Com. Shares	Earn. per Share +
1984	28,748,000	$ 3.71
1983	28,589,000	2.22
1982	27,640,000	2.61
1981	27,490,000	3.77
1980	27,469,000	3.26

+ Based on the weighted average number of shares outstanding during the year.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.84	—	—
1983	1.84	—	—
1982	1.84	—	—
1981	1.735	—	—
1980	1.625	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 551,163,000	$ 19.17
1983	505,970,000	17.70
1982	478,697,000	17.32
1981	476,392,000	17.33
1980	419,112,000	15.26

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 1,365,504	$ 1,144,137
Cost of sales	900,385	782,032
Expenses	263,567	234,866
Other income	(17,846)	(19,853)
Interest expense	28,473	24,341
Income before taxes	$ 190,925	$ 122,751
Income taxes	84,772	59,840
Net Income	$ 106,153	$ 62,911

* Included in Costs and Expenses, Depreciation and Amortization: $42,180,000 in 1984 and $38,904,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & cash equiv.	$ 69,418	$ 79,694
Accts. receiv., net	202,341	183,722
*Inventories	202,077	156,503
Prepaid expenses	6,937	6,699
Current Assets	$ 480,773	$ 426,618
Investment	11,830	7,540
#Fixed assets	418,729	398,128
Other assets	15,058	16,353
Intangibles	94,740	96,379
Total Assets	$ 1,021,130	$ 945,018

Liabilities
(000's)

Short-term bank borrowings	$ 40,555	$ 19,732
Long-term debt, curr.	12,259	13,303
Accts. payable & accruals	166,743	155,081
Dividends payable	13,224	13,151
Income taxes	7,638	9,956
Deferred income taxes	1,178	2,510
Curr. Liabilities	$ 241,597	$ 213,733
Long-term debt	170,304	176,326
Minority interest	254	4,927
Deferred inc. taxes	57,812	44,062
+ Common stock	47,914	47,648
Add. paid-in capital	86,240	80,684
Retained earnings	464,909	411,500
Cum. trans. adjust.	(47,900)	(33,862)
Total Liabilities & Shareholders' Equity	$ 1,021,130	$ 945,018

* At lower of cost (LIFO in U.S., FIFO for foreign) or market.
# Less accumulated depreciation.
+ $1.66⅔ par value

Statistical Summary

%Income bef. Taxes to Sales	13.98	10.73
%Net Income to Sales	7.77	5.50
%Net Income to Equity	19.26	12.43
Sales to Inventories	6.76	7.31
Working Capital	$239,176,000	$212,885,000
Current Ratio	1.99	2.00
Shareholders' Equity	$551,163,000	$505,970,000

Squibb Corporation

P.O. Box 4000
Princeton, New Jersey 08540
(609) 921-4000

Officers: Richard M. Furlaud, chairman of the board & chief executive officer; Dennis C. Fill, president & chief operating officer; George P. Maginness, chairman of finance committee; Daniel A. Cuoco, Robert E. Humes, sr. v.p.-human resources, Leo S. Martinuzzi, Jr., Anthony W. Ruggiero, Joseph T. Stewart, Jr., sr. v.p.'s; Michael Bongiovanni, v.p. & chairman-Medical Products Group; Robert T. deGarve, v.p. & treasurer; Charles A. Sanders, exec. v.p.; William R. Luney, v.p. & secretary; Philip S. Seydel, v.p. & controller; Grant F. Wolfkill, Vahan Hogroian, Robert D. Popper, Jan M.Z. Kaczmarek, Richard L. Thompson, Richard Kahn, Allan E. Garb, vice presidents; Jan Leschly, Ernest Mario, Robert H. Miller, group v.p.'s.

Directors: Richard M. Furland, chairman; John J. McCloy, Robert H. Ebert, Dennis C. Fill, Ellen V. Futter, John W. Hanes, Michael Bongiovanni, Charles A. Sanders, George P. Maginness, Walter F. O'Connell, Helen M. Ranney, Ross Reid, Lewis Thomas, Eugene F. Williams, Jr., J. Richardson Dilworth, Robert H. Miller

Areas of Work: Manufactures and distributes electronic instruments for medical applications including patient monitoring systems and ultra sound scanners. Other areas of work include: fragrances and cosmetics, confectionary goods, surgical instruments, drugs, and vitamins.

Divisions and Subsidiaries:

E.R. Squibb & Sons Inc.
P.O. Box 4000
Princeton, New Jersey 08540
(609) 921-4000

Squibb United States
Squibb Europe
Squibb International
Squibb Diagnostics
Chemical Division

Pharmaceutical Products Group

Research and Development Group

Medical Products Group

Personal Care Products Group

The Squibb Institute for Medical Research
  Advanced Technology Laboratories, Inc.
  Argon Medical Corp.
  ConvaTec
  Edward Weck & Company, Inc.
  Spacelabs, Inc.
  Squibb Medical Systems International
  Surgicot, Inc.
  Business Development Group
  Worldwide Engineering

Charles of the Ritz Group Ltd
40 West 57th Street
New York, New York 10019
(212) 621-7300

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

State Street Bank & Trust Company
Boston, Massachusetts

Centerre Union Trust Company of St. Louis
St. Louis, Missouri

Stock Exchange(s): New York, London, Basel, Geneva, Zurich, Munich, Frankfurt

Ticker Symbol: SQB

Number of Employees:

1983	24,100	1981	23,300
1982	23,700		

Sales and Earnings

	Net Sales † (000's)	Net Income ‡‡ (000's)
1983	$ 1,768,891	$ 172,707
1982	1,660,766	153,636
1981	1,523,911	104,815
1980	1,334,184	127,426
1979	1,110,123	123,722

	No. of Com Shares	Earn per Share ‡ ‡‡
1983	52,981,580	$ 3.30
1982	51,459,992	3.01
1981	49,983,000	2.10
1980	48,527,000	2.65
1979	45,617,000	2.71

† Of continuing operations only

‡ Based on the average number of common shares and common share equivalents outstanding

‡‡ Including extraordinary losses of $567,000 ($0.01 per share) in 1983 and $6,532,000 ($0.13 per share) in 1981

Revenues By Line of Business
(000's)

	1983	1982
Health-care prods.	$ 1,422,100	$ 1,318,800
Personal-care prods.	346,800	342,000
Total	$ 1,768,900	$ 1,660,800

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$1.365	—	—
1982	1.28	—	—
1981	1.215	—	—
1980	1.155	—	—
1979	1.095	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1983	$ 1,231,381	$ 23.24
1982	1,095,819	21.29
1981	1,029,625	20.60
1980	1,002,470	20.66
1979	918,013	20.12

Income Account *
(000's)

Year ended Dec. 31	1983	1982
Net sales	$ 1,768,891	$ 1,660,766
Cost of sales	694,323	678,472
Expenses	818,954	772,760
Interest income	(51,441)	(60,832)
Interest expense	36,535	40,257
Admin. expenses	8,780	10,624
Income before taxes	$ 261,740	$ 219,485
Income taxes	88,466	65,849
Net Income	$ 173,274	$ 153,636
Extraordinary loss	(567)	—
Net Income & extraord. loss	$ 172,707	$ 153,636

* Included in Costs and Expenses, Depreciation and Amortization: $34,426,000 in 1983 and $31,270,000 in 1982.

Assets
(000's)

As of Dec. 31	1983	1982
Cash	$ 41,448	$ 26,813
Time deposits	153,929	106,669
Marketable invest.	10,455	2,039
Receivables	418,918	433,933
*Inventories	353,723	371,413
Prepaid expenses	32,110	28,124
Deferred inc. taxes	52,971	56,468
Current Assets	$ 1,063,554	$ 1,025,459
Investments & long-term receiv.	230,273	316,012
#Fixed assets	564,613	511,821
Other assets	87,325	76,420
Total Assets	$ 1,945,765	$ 1,929,712

Liabilities
(000's)

Long-term debt, curr.	$ 1,074	$ 11,586
Notes payable	53,389	50,831
Accts. payable & accruals	311,055	317,416
Income taxes	86,363	61,839
Curr. Liabilities	$ 451,881	$ 441,672
Long-term debt	204,427	336,314
Deferred inc. taxes	17,743	16,768
Other liab.	40,333	39,139
+ Common stock	52,996	51,472
Add. paid-in capital	228,145	171,151
Retained earnings	1,057,778	955,396
Foreign curr. adj.	(107,367)	(82,126)
Treasury stock	(171)	(74)
Total Liabilities & Shareholders' Equity	$ 1,945,765	$ 1,929,712

* At lower of cost or market.

# Less accumulated depreciation and amortization.

+ $1 par value.

Statistical Summary

% Net Income to Equity	14.07	14.02
Sales to Inventories	5.00	4.47
Working Capital	$ 611,673,000	$ 583,787,000
Current Ratio	2.35	2.32
Shareholders' Equity	$1,231,381,000	$1,095,819,000

Standard Logic, Inc.

132 Business Center Drive
Corona, California 91720
(714) 735-8610

235 N.E. Loop, #820
Suite 507
Hurst, TX 76053
(817) 589-0554

Officers: Ernest W. Baumgardner, president & chairman of the board; John C. Capraro, v.p.-new product development & international sales; Gary Loper, v.p.-sales; Donald S. Krysinski, v.p.

Directors: Ernest W. Baumgardner, chairman; Marlan M. Merhab, Bruce G. Rossiter, Bruce L. Billington.

Areas of Work: Main product lines include "C-A-S-H" (Computer Automated Systems Hardware), "D-A-R-T" (Dynamic Automated Restaurant Terminal), "D-A-R-T D-I-A-L-M-A-S-T-E-R" (Pulling System), C-H-I-P (A Hospitality Information Processing System), a point-of-sale system, numerically controlled wire-wrapping machines. Services include wire-wrapping of electronic components, software for wire-wrapping applications, and documentations of finalized electronic assemblies.

Transfer Agent(s):

Bank of America
Los Angeles, California

Stock Exchange(s): Over-the-Counter, Boston

Ticker Symbol: STDL (NASDAQ)

Number of Employees:

1984	70	1981	138
1983	141	1980	135
1982	118		

Plant Footage:

1984	N.A.	1981	30,000
1983	57,000 sq. ft.	1980	30,000
1982	30,000		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income #
1984	$ 4,795,492	$ (4,586,817)
1983	7,161,077	(775,681)
1982	8,187,173	273,693
1981	4,335,855	(1,887,215)
1980	4,670,741	(32,324)

	No. of Com Shares	Earn. per Share + #
1984	4,974,118	$ —
1983	4,983,711	—
1982	3,516,811	0.07
1981	3,300,356	—
1980	2,976,145	—

(Loss)

# Including extraordinary gain of $110,000 ($0.03 per share) in 1982.

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 3,552,971	$ 0.71
1983	8,150,582	1.64
1982	2,679,651	0.76
1981	2,283,465	0.69
1980	3,278,783	1.10

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 4,795,492	$ 7,161,077
Cost of sales	4,724,592	4,433,672
Expenses	5,292,531	3,502,486
Gain on sale	(635,414)	—
Loss before taxes	$ (4,586,217)	$ (775,081)
Income tax	600	600
Net Loss	$ (4,586,817)	$ (775,681)

* Included in Costs and Expenses, Depreciation and Amortization: $289,546 in 1984 and $191,469 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 1,119,839	$ 5,174,722
Accts. receiv., net	713,742	1,084,191
*Inventories	2,012,939	2,043,393
Prepaid expenses	55,722	63,715
Current Assets	$ 3,902,242	$ 8,366,021
#Fixed assets	388,205	596,818
Other assets	232,343	406,616
Total Assets	$ 4,522,790	$ 9,369,455

Liabilities

Long-term debt, curr.	$ 24,347	$ 49,148
Accts. payable	590,408	328,076
Accrued compensation	129,472	169,665
Customer advances	68,485	175,015
Other Liabilities	152,954	75,040
Curr. Liabilities	$ 965,666	$ 796,944
Long-term debt	4,153	421,929
+ Common stock	124,352	124,592
Add. paid-in capital	10,121,641	9,929,372
Warrants	115,437	318,260
Retained earnings	(6,808,459)	(2,221,642)
Total Liabilities & Shareholders' Equity	$ 4,522,790	$ 9,369,455

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.025 par value.

Statistical Summary

Sales to Inventories	0.23	3.50
Working Capital	$2,936,576	$7,569,077
Current Ratio	4.04	10.50
Shareholders' Equity	$3,552,971	$8,150,582

Standard Microsystems Corporation

35 Marcus Boulevard
Hauppauge, New York 11788
(516) 273-3100

Officers: Paul Richman, chairman & president; Gerald E. Gollub, Arthur Sidorsky, exec. v.p.'s; Walter J. Kmeta, senior v.p.; H. Peter Zimbelmann, Jay D. Popper, Jean-Pierre Chalmin, John Tweedy, Harry J. Horn, Leonard Novara, v.p.'s; Victor F. Trizzino, sr. v.p. & treasurer; Harold I. Kahen, secretary; Al Marvet, controller.

Directors: Herman Fialkov, Richard L. Geiger, Paul Richman, Peter F. Dicks, Gerald E. Gollub, Raymond Frankel, John Gatti, Arthur Sidorsky.

Areas of Work: Engaged in the design, development, manufacture and marketing of metal-oxide-semiconductor (MOS) large-scale integrated (LSI) circuits and very large-scale integrated (VLSI) circuits and subsystems. Also manufactures digital logic devices for industrial and commercial applications.

Subsidiary:

SMC Microsystems Corporation
35 Marcus Boulevard
Hauppauge, New York 11787
(516) 231-8898

Transfer Agent(s):

Fidata Trust Company of New York
67 Broad Street
New York, New York 10004

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SMSC (NASDAQ)

Plant Footage:

1985 . . . . . . 80,000 sq. ft. 1984 . . . 80,000

Sales and Earnings

	Net Sales	Net Income
1985	$ 69,062,000	$ 13,617,000
1984	44,381,644	7,728,418
1983	26,999,772	2,959,260
1982	19,343,224	1,146,697
1981	18,637,953	2,441,415

	No. of Com. Shares +	Earn. per Share ‡
1985	10,912,019	$ 1.23
1984	10,780,483	0.74
1983	7,722,841	0.35
1982	7,640,978	0.14
1981	7,519,550	0.34

+ Adjusted to reflect stock split.
‡ Based on the weighted average number of shares outstanding during the year adjusted to reflect stock split.

Common Stock

1985	—	—	—
1984	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 83,150,000	$ 7.62
1984	68,045,190	6.31
1983	26,150,232	3.39
1982	22,544,510	2.95
1981	21,182,200	2.82

‡ Adjusted to reflect stock split.

Income Account *

Year ended Feb. 28	1985	1984
Net sales & revenues	$ 69,062,000	$ 44,381,644
Cost of sales	26,520,000	18,721,523
Expenses	24,519,000	15,498,535
Interest expense	576,000	375,156
Interest income	(4,502,000)	(3,239,439)
Income before taxes	$ 21,949,000	$ 13,025,869
Income taxes	8,332,000	5,297,451
Net Income	$ 13,617,000	$ 7,728,418

* Included in Costs and Expenses, Depreciation and Amortization: $5,360,000 in 1985 and $3,043,736 in 1984.

Assets

As of Feb. 18	1985	1984
Cash & cert. of deposit	$ 35,887,000	$ 40,359,780
Accts. receiv.	10,777,000	9,007,792
*Inventories	13,304,000	5,730,704
Prepaid expenses & other assets	182,000	564,858
Current Assets	$ 60,150,000	$ 55,663,134
#Fixed assets	43,881,000	24,548,910
Other assets	2,415,000	1,570,585
Total Assets	$ 106,446,000	$ 81,782,629

Liabilities

Long-term debt, curr.	$ 110,000	$ 128,063
Accts. payable & accruals	15,477,000	6,823,088
Income taxes	1,204,000	402,734
Curr. Liabilities	$ 16,791,000	$ 7,353,885
Long-term debt	4,613,000	4,723,357
Deferred inc. taxes	1,892,000	1,660,197
+ Common stock	1,091,000	1,078,048
Add. paid-in capital	50,924,000	49,449,078
Retained earnings	31,135,000	17,518,064
Total Liabilities & Shareholders' Equity	$ 106,446,000	$ 81,782,629

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

% Income bef. Taxes to Sales	31.78	29.35
% Net Income to Sales	19.72	17.41
% Net Income to Equity	16.38	11.36
Sales to Inventories	5.19	7.74
Working Capital	$43,359,000	$48,309,249
Current Ratio	3.58	7.57
Shareholders' Equity	$83,150,000	$68,045,190

Standex International Corporation

6 Manor Parkway
Salem, New Hampshire 03079
(603) 893-9701

Officers: Daniel E. Hogan, chairman of the board & chief exec. officer; Thomas L. King, president, chief oper. officer & treasurer; Sol Sackel, sr. v.p.; Samuel S. Dennis, III, v.p.; Robert E. Masotta, exec. v.p., secretary & gen. counsel; Arthur G. Houghton, v.p.-operations; John M. Wall, v.p.-industrial relations; John J. Bentley, controller; Thomas H. DeWitt, v.p., corporate counsel, sec.; Norman B. Asher, Charles Hartsock, asst. secretaries; F. Warren Coulter, asst. treasurer.

Directors: Daniel E. Hogan*, Edward C. Bloomberg, John Bolten, Jr., William Brewster, William L. Brown*, Warren S. Cooper*, Samuel S. Dennis, III*, Thomas L. King*, John Hill, C. Kevin Landry, Sol Sackel, Daniel B. Hogan, Robert E. Masotta, H. Nicholas Muller, III.

* Member of the Executive Committee.

Areas of Work: The Electronics Group manufactures electronic components, inductors, capacitors, connectors, EMI/RFI filters, microcoils, reed switches and reed relays. The Industrial Group manufactures embossing rolls and plates, mold engraving, specialty converting and finishing machinery and systems; ducting for heating, air-conditioning, and ventilation systems; power metal spinning of components for aerospace, energy systems, and industrial applications. The Consumer Products Group manufactures and sells pine furniture and furnishings through its Yield House mail order operation and manages a chain of 14 Yield House retail stores; sells grapefruit and other gift packages and fund raising supplies through other mail order operations. The Institutional Products Group manufactures patient feeding systems, handblown glassware, barbecuing and baking equipment, candle-lamps and candles, food waste disposers, refrigeration equipment, slicing machines and choppers, casters and wheels, and food racks, cabinets and carts. The Industrial Group manufactures institutional furniture and carbonator pumps. The Graphics Group publishes religious literature and manufactures election supplies; manufactures commercial printing products and educational materials and specialized binding systems; operates a chain of 27 religious retail bookstores.

Electronics Division & Subsidiaries:

Standex Electronics
4538 Camberwell Road
Cincinnati, Ohio 45209
(513) 871-3777

Manufacture of components and assemblies for the color television, automotive and communications industries.

Van Products
4538 Camberwell Road
Cincinnati, Ohio 45225
(513) 871-3777

Manufacturer of hermetic electrical connectors for the refrigeration and air conditioning industries.

Standex Electronics (UK) Limited
Morley Road
Tonbridge, Kent, England
Tonbridge, 0732, 358023 England

Manufacturer of the full range of standard reed switches; also vacuum and high pressure reed switches and DIP reed relays for the telecommunications and electronics industries.

Standex Electronics (Haiti) S.A.
Avenue Haile Selassie
Rt. Simmonds
Port au Prince, Haiti

Manufacturer of fixed precision mica capacitors and variable mica capacitors for the automotive and communications industries.

S.I. de Mexico, S.A. de C.V.
323 G Avenue
Douglas, Arizona 85607
(602) 364-7964

Manufacturer of electronic components and component assemblies for Paul Smith.

Underwood Electronic Co.
3750 Prospect Ave.
Rivera Beach, Florida 33404
(305) 863-7550

Manufacturer of fixed precision mica capacitors and variable mica capacitors for the automotive and communications industries.

Paul Smith Company
4538 Camberwell Road
Cincinnati, Ohio 45209
(513) 871-3777

Manufacturer of fixed and variable precision inductors for the color TV and communications industries, also of custom designed, high voltage transformers for solid state furnace ignition systems.

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 664
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: SXI

Number of Employees:

1984	N.A.	1981	6,300
1983	5,600	1980	6,100
1982	5,650		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 378,547,000	$ 20,006,000
1983	357,731,000	16,099,000
1982	365,658,000	13,536,000
1981	369,874,000	15,208,000
1980	347,480,000	19,442,000

	No. of Com. Shares #	Earn. per Share #
1984	13,854,000	$ 1.44
1983	13,612,000	1.18
1982	13,490,000	1.00
1981	13,425,000	1.13
1980	13,150,000	1.48

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Graphics	$ 94,832	$ 93,614
Consumer	78,233	81,565
Institutional	100,660	88,304
Electronics	17,214	13,950
Industrial	87,213	79,938
General, corporate & other	395	360
Total	$ 378,547	$ 357,731

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.50	—	—
1983	0.48	--	2-for-1
1982	0.47	—	—
1981	0.44	—	—
1980	0.41	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 144,019,000	$ 10.39
1983	132,614,000	9.72
1982	131,944,000	9.78
1981	127,854,000	9.49
1980	117,808,000	8.85

‡ Adjusted to reflect stock split.

Income Account

Year ended June 30	1984	1983
Net sales	$ 378,547,064	$ 357,731,119
Other income	2,216,482	1,584,576
Total income	$ 380,763,546	$ 359,315,695
Cost of sales	233,227,590	223,559,110
Expenses	100,954,089	94,306,903
Depreciation & amortization	7,500,924	7,745,716
Interest expense	3,551,534	4,735,831
Income before taxes	$ 35,529,409	$ 28,968,135
Income taxes	15,523,000	12,869,000
Net Income	$ 20,006,409	$ 16,099,135

Assets

As of June 30	1984	1983
Cash	$ 8,928,725	$ 11,775,765
Receiv., net	50,303,335	45,958,964
*Inventories	83,915,802	72,544,576
Prepaid expenses	4,183,111	2,992,771
Current Assets	$ 147,330,973	$ 133,272,076
#Fixed assets	68,903,180	69,171,934
Receivables	7,180,535	5,406,990
Intangibles	11,307,537	12,487,501
Total Assets	$ 234,722,225	$ 220,338,501

Liabilities

Notes payable & long-term debt, curr	$ 5,553,762	$ 8,249,446
Accts. payable	21,965,018	17,994,432
Accruals	4,575,974	5,216,737
Accrued payroll	12,757,167	12,108,602
Income taxes	5,834,609	6,709,611
Curr. Liabilities	$ 50,686,530	$ 50,278,828
Long-term debt	32,205,018	31,379,669
Deferred inc. taxes	5,258,000	5,047,000
Other liab.	2,553,463	1,018,986
+ Common stock	20,979,959	20,501,919
Add. paid-in capital	6,557,026	4,787,179
Retained earnings	125,833,280	112,713,193
Cum. trans. adjust.	(7,817,352)	(5,168,374)
Treasury stock	(1,533,699)	(219,899)
Total Liabilities & Shareholders' Equity	$ 234,722,225	$ 220,338,501

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.39	8.10
%Net Income to Sales	5.29	4.50
%Net Income to Equity	13.89	12.14
Sales to Inventories	4.51	4.93
Working Capital	$ 96,644,443	$ 82,993,248
Current Ratio	2.91	2.65
Shareholders' Equity	$144,019,214	$132,614,018

The L. S. Starrett Company

121 Crescent Street
Athol, Massachusetts 01331
(617) 249-3551

Officers: Douglas R. Starrett, president; George B. Webber, Charles H. Morrow, vice presidents; Roger V. Wellington, treasurer & chief financial officer; Richard W. Baker, controller; Roger Moore, clerk.

Directors: John N. Engelsted, Walter W. Haskins, Carl O. Newton, Douglas R. Starrett, Robert W. Stoddard, Robert M. Tyler, Lloyd B. Waring, George B. Webber, Douglas A. Starrett.

Areas of Work: Manufactures and sells electronic gages, dial indicators, precision measuring tools, three-axis coordinate measuring machines, steel tapes, gage blocks, optical measuring tools, granite surface plates, vises, hacksaws, hole saws, band saws and precision ground flat stock.

Subsidiaries:

The L. S. Starrett Co. of Canada Limited
Industria e Comercio L. S. Starrett S.A. (Brazil)
The L. S. Starrett Company Limited (Scotland)
The L. S. Starrett International Company (DISC)

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York

Ticker Symbol: SCX

Number of Employees:

1984	2,114	1981	2,533
1983	2,102	1980	2,573
1982	2,343		

Plant Footage:

1984	887,200 sq. ft.	1983	887,200

Sales and Earnings

	Net Sales	Net Income
1984	$ 105,842,506	$ 8,612,484
1983	88,519,951	6,201,060
1982	112,741,912	11,304,862
1981	122,451,341	13,790,818
1980	110,296,878	12,102,516

	No. of Com. Shares	Earn. per Share ‡
1984	3,743,605	$ 2.27
1983	3,793,609	1.61
1982	3,846,838	2.92
1981	3,832,185	3.52
1980	1,922,086	3.13

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	1.00	—	—
1982	1.05	—	—
1981	1.00	—	2-for-1
1980	0.89	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 79,247,879	$ 21.17
1983	77,488,600	20.43
1982	77,346,848	20.11
1981	72,166,945	18.83
1980	63,678,698	33.13

Income Account *

Year ended June 30	1984	1983
Net sales	$ 105,842,506	$ 88,519,951
Cost of sales	63,238,604	54,358,263
Expenses	26,698,900	22,914,480
Interest expense	136,945	287,794
Interest income	(2,235,427)	(1,851,646)
Income before taxes	$ 18,003,484	$ 12,811,060
Income taxes	9,391,000	6,610,000

The L. S. Starrett Company

Net Income	$ 8,612,484	$ 6,201,060

* Included in Costs and Expenses. Depreciation: $3,466,717 in 1984 and $2,989,527 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 1,530,082	$ 1,508,106
Short-term investments	20,525,153	15,086,041
Accts. receiv., net	17,302,355	12,580,112
*Inventories	34,170,678	40,943,299
Prepaid expenses	3,544,935	3,615,194
Current Assets	$ 77,073,203	$ 73,732,752
#Fixed assets	20,313,603	20,623,137
Other assets	341,374	242,800
Total Assets	$ 97,728,180	$ 94,598,689

Liabilities

	1984	1983
Accts. payable & accruals	$ 11,017,642	$ 9,130,145
Employee deposits	864,908	1,546,987
Income taxes	5,383,366	3,813,557
Curr. Liabilities	$ 17,265,916	$ 14,490,689
Deferred inc. taxes	1,214,385	2,619,400
+ Common stock	3,743,605	3,793,609
Add. paid-in capital	9,060,841	7,835,907
Retained earnings	69,386,578	67,902,247
For. curr. trans. adjust	(2,943,145)	(2,043,163)
Total Liabilities & Shareholders' Equity	$ 97,728,180	$ 94,598,689

* At lower of cost or market. (Domestic inventories at LIFO, all others at FIFO).

# Less accumulated depreciation.

+ $1.00 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	17.01	14.47
%Net Income to Sales	8.14	7.01
%Net Income to Equity	10.87	8.00
Sales to Inventories	3.10	2.16
Working Capital	$59,807,287	$59,242,063
Current Ratio	4.46	5.09
Shareholders' Equity	$79,247,879	$77,488,600

Sterling Electronics Corporation

4201 Southwest Freeway
Houston, Texas 77027
(713) 623-6600

Officers: Michael S. Spolane, chairman of the board & chief exec. officer; Leopold S. Baer, president & chief operating officer; Thomas McGinty, v.p.-materials management; Leon Webb, Jr., v.p. & treasurer; Byron Turner, Charles Aronis, James McConkey III, v.p.'s-Industrial Marketing Group.

Directors: Michael S. Spolane, chairman; Leopold S. Baer, Herschel G. Maltz, Sheldon Lambert, A.J. Dreiseszun, David Toomim.

Areas of Work: Distributes, through its subsidiaries, electronic component and replacement parts, testing equipment and sound reproduction materials to industrial markets. Manufactures panel meters, avionic mechanisms and edge lighted panels.

Divisions and Subsidiaries:

Industrial Distribution Group
4201 Southwest Freeway
Houston, Texas 77027
(713) 623-6600

Component Manufacturing Group

Airmark Plastics Corporation
Corsa Drive
Westlake Village, California 91361
(213) 889-1470

Phaostron Instrument and Electronics Co.
151 Pasadena Avenue
South Pasadena, California 91030
(214) 255-1417

Phaostron East
70 Dale Street
West Babylon, New York 11704
(516) 293-6622

Commercial Sound and Telecommunications
Houston, Texas

Transfer Agent(s):

Texas Commerce Bank
c/o Stock Transfer Department
P.O. Box 2558
Houston, Texas 77001

Stock Exchange(s): American

Ticker Symbol: SEC

Number of Employees:

1984	448	1981	499
1983	423	1980	594
1982	460		

Plant Footage:

1984	242,600 sq. ft.	1982	239,000
1983	239,000	1981	84,500

Sales and Earnings

	Net Sales +	Net Income # +
1984	$ 50,639,110	$ 621,370
1983	40,073,497	(412,852)
1982	43,851,205	(683,189)
1981	45,719,163	223,361
1980	56,613,024	718,072

	No. of Com. Shares ‡	Earn. per Share #‡
1984	3,632,761	$ 0.16
1983	3,631,335	—
1982	3,631,335	—
1981	3,631,348	0.06
1980	3,631,361	0.19

(Loss)

+ Of continuing operations only.

# Including extraordinary gains of $86,438 ($0.02 per share) in 1981 and $614,283 ($0.17 per share) in 1980.

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1984	$ 6,113,356	$ 1.68
1983	4,596,133	1.27
1982	5,030,142	1.39
1981	5,045,602	1.39
1980	4,739,373	1.31

‡ After allowing for preferred stock at aggregate liquidation preference.

+ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended	3/31/84	4/2/83
Net sales & services	$ 50,639,110	$ 40,073,497
Other income	412,192	292,585
Total Income	$ 51,051,302	$ 40,366,082
Cost of sales & services	38,197,784	30,222,851
Expenses	10,854,561	9,793,491
Interest expense	708,157	764,100
Income (loss) bef. taxes	$ 1,290,800	$ (414,360)
Income taxes	606,000	2,580
Minority interest	63,430	(4,088)
Net Income (Loss)	$ 621,370	$ (412,852)

* Included in Costs and Expenses, Depreciation and Amortization: $331,735 in 1984 and $289,745 in 1983.

Assets

As of	3/31/84	4/2/83
Cash	$ 788,884	$ 363,374
Accts. receiv., net	7,542,324	4,706,438
*Inventories	8,879,911	7,805,044
Prepaid expenses	142,056	139,662
Current Assets	$ 17,353,175	$ 13,014,518
#Fixed assets	1,830,569	2,436,562
Other assets	379,575	172,493
Total Assets	$ 19,563,319	$ 15,623,573

Liabilities

	3/31/84	4/2/83
Long-term debt, curr.	$ 138,396	$ 174,815
Cap. lease oblig., curr.	228,937	102,995
Accts. payable	3,081,724	3,082,966
Accruals	1,458,015	806,808
Curr. Liabilities	$ 4,907,072	$ 4,167,584
Revolv. credit line	5,709,507	3,949,007
Long-term debt	—	233,937
Cap. lease oblig.	1,453,781	1,335,009
Minority interest	575,755	500,548
Deferred taxes, comp. & other	212,048	249,555
+ Preferred stock	73,975	73,975
+ + Common stock	2,049,413	2,049,361
Add. paid-in capital	5,197,825	4,443,829
Retained earnings (deficit)	164,134	(435,044)
Treasury stock	(780,191)	(944,188)
Total Liabilities & Shareholders' Equity	$ 19,563,319	$ 15,623,573

* At lower of cost (FIFO) or estimated market.

# Less accumulated depreciation and amortization.

+ $2.50 par value, cumulative convertible.

+ + $0.50 par value.

Statistical Summary

	3/31/84	4/2/83
%Income bef. Taxes to Sales	2.55	—
%Net Income to Sales	1.23	—
%Net Income to Equity	9.27	—
Sales to Inventories	5.70	—
Working Capital	$12,446,103	$8,846,934
Current Ratio	3.54	3.12
Shareholders' Equity	$ 6,705,156	$5,187,933

Stewart-Warner Corporation

1826 Diversey Parkway
Chicago, Illinois 60614
(312) 883-6000

Officers: Bennett Archambault, chairman of the board & president; Edgar L. Conn, v.p. & general manager-South Wind Division; Irvin R. Danielson, sr. v.p.; Robin M. Demouth, v.p., secretary & gen. counsel; Wesley J. Kiley, v.p.; Milo B. Lipscomb, gen. mgr.-Bassick-Sack Division; Harold B. MacMahon, v.p. & gen. mgr. Hobbs Division; Albert C. Madge, chief operating executive-Stewart-Warner Corporation of Canada Limited; Thomas J. McCook, v.p. & general mgr.-Alemite & Instrument Divisions; Jack C. Morrison, v.p., controller & treasurer; Donald A. Potter, v.p. & gen. mgr.-Stewart-Warner Electronics Division; Robert H. Reid, v.p. & gen. mgr.-Bassick Division; Donald J. Bachner, v.p. & gen. mgr.-Stewart-Warner International Division; Robert J. Lytle, gen. mgr.-Thor Power Tool Div.; David T. Stafford, director-industrial relations.

Directors: Bennett Archambault, chairman; Irvin R. Danielson, James S. Kemper, Jr., William F. Murray, Thomas L. Martin, Jr., Jack C. Morrison, Archie R. Boe, John C. Stetson.

Divisions:

Alemite Division
1826 Diversey Parkway
Chicago, Illinois 60614
(312) 883-6000
and
Roweland Drive
Johnson City, Tennessee 37601

Products include industrial lubricating equipment, fluid materials handling equipment, automotive service equipment, and hydraulic couplings and hose.

Stewart-Warner Instrument Division
1854 Diversey Parkway
Chicago, Illinois 60614
(312) 883-6000

4535 Fullerton Avenue
Chicago, Illinois 60639
Products include speedometers, tachometers and gauges, flexible drive shafts, electric fuel pumps and industrial balancing equipment.

Stewart-Warner Electronics Division
1300 North Kostner Avenue
Chicago, Illinois 60651
(312) 292-3000
Products include photoelectric and numerical controls for machines; information display systems, military electronics systems; machine tool controls.

South Wind Division
1514 Drover Street
Indianapolis, Indiana 46221
(317) 632-8411
and
RR2 Box 20
Burkesville, Kentucky 42717

Bassick Division
960 Atlantic Street
Bridgeport, Connecticut 06602
(203) 366-3671

600 North Strong Avenue
Spring Valley, Illinois 61362
(815) 664-2311
Products include casters, furniture glides, swivel chair mechanisms and clamps and fasteners.

Bassick-Sack Division
2941 Indiana Avenue
Winston-Salem, North Carolina 27105
(919) 725-1331
Manufacturer of furniture and cabinet hardware and decorative trim, for the home and office furniture industries.

Hobbs Division
Yale Boulevard and Ash Street
Springfield, Illinois 62705
(217) 753-7600

State Route 6
Spring Valley, Illinois 61362
(815) 663-2011
Products include hour meters, pressure and vacuum switches, electromechanical devices, and lighting products for automotive, farm, and construction equipment.

Stewart-Warner International Division
1830 Diversey Parkway
Chicago, Illinois 60614
Responsible for the manufacture and sales activities of the foreign subsidiary companies and two joint ventures.

Subsidiaries:

Thor Power Tool Company
Roweland Drive
Johnson City, Tennessee 37601
Air and hydraulically powered tools.

Stewart-Warner Display Systems, Inc.
1300 North Kostner Avenue
Chicago, Illinois 60651
(312) 292-3000
and
233 Broadway
New York, New York 10007

Stewart-Warner Corporation of Canada, Limited
349 MacDonald Avenue
Belleville, Ontario, Canada
(613) 968-6761

Icknield Instruments, Ltd.
Jubilee Rd.
Letchworth, Hertfordshire, England

Stewart-Warner France, S.A.
60 Rue des Orteaux
75020 Paris, France

Stewart-Warner, Alemite G.m.b.H.
Stockshausstrasse 9,
401 Hilden, Germany

Industrial Alemex, S.A.*
Tapia 836 Oriente
Monterrey, N.L., Mexico

Thor Power Tool GmbH
Mathias-Bruggen Str. 4A
5 Cologne, (Bickendorf) Germany

Stewart-Warner Limited
Tynemouth, Tyne and Wear, England

Herramientas Thor de Mexico, S.A. de C.V.
Tapia 386 Oriente
Monterrey, N.L. Mexico

Thor-Fiap S.p.A.
Torino, Italy

Wadco Tools Ltd.*
New Delhi 1, India

* Joint Ventures

Transfer Agent(s):

Harris Trust and Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: STX

Number of Employees:

1984	5,500	1981	7,100
1983	5,500	1980	7,600
1982	4,900		

Plant Footage:

1984	3,842,000 sq. ft.	1981	4,239,000
1983	3,915,000	1980	4,104,000
1982	4,239,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 290,364,000	$ 11,663,000
1983	265,120,000	5,293,000
1982	281,140,000	6,941,000
1981	328,821,000	15,374,000
1980	336,167,000	18,588,000

	No. of Com. Shares +	Earn. per Share +
1984	6,447,000	$ 1.81
1983	6,441,000	0.82
1982	6,435,000	1.08
1981	6,467,000	2.38
1980	6,490,000	2.86

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Electronic & electro-mechanical systems & products	$ 126,500	$ 113,900
Fabricated metal prods. & hardware	48,900	45,000
Vehicular service equipment & materials	65,500	54,400
Specialty prods. & others	49,500	51,800
Total	$ 290,400	$ 265,100

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$1.68	—	—
1983	1.68	—	—
1982	1.68	—	—
1981	1.55	—	5-for-4
1980	1.50	—	—

+ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 167,041,000	$ 25.91
1983	167,735,000	26.04
1982	173,361,000	26.94
1981	178,212,000	27.68
1980	175,004,000	26.98

† Adjusted to reflect stock split

Income Account

Year ended Dec. 31	1984	1983
Net sales	$ 290,364,000	$ 265,120,000
Cost of sales	221,760,000	211,100,000
Expenses	52,633,000	45,543,000
Other income	(1,477,000)	(222,000)
Income before taxes	$ 17,448,000	$ 8,699,000
Income taxes	5,785,000	3,406,000
Net Income	$ 11,663,000	$ 5,293,000

Assets

As of Dec. 31	1984	1983
Cash & time deposits	$ 10,527,000	$ 14,498,000
Marketable securities	19,655,000	19,710,000
Receivables, net	40,100,000	38,799,000
*Inventories	79,970,000	81,600,000
Future tax benefits	10,330,000	10,616,000
Current Assets	$ 160,582,000	$ 165,223,000
#Fixed assets	40,818,000	42,903,000
Other assets	4,296,000	5,349,000
Total Assets	$ 213,985,000	$ 217,644,000

Liabilities

Long-term debt, curr.	$ 115,000	$ 115,000
Accts. payable	14,605,000	13,142,000
Accruals	7,446,000	8,114,000
Accrued payroll	8,581,000	8,799,000
Income taxes	2,037,000	1,090,000
Other taxes	3,577,000	3,546,000
Curr. Liabilities	$ 36,361,000	$ 34,806,000
Deferred income taxes	1,964,000	4,147,000
Long-term debt	310,000	425,000
Pensions & deferred payments	8,309,000	10,531,000
+ Common stock	16,832,000	16,832,000
Add. paid-in capital	28,726,000	28,541,000
Retained earnings	126,188,000	125,350,000
Treasury stock	(713,000)	(730,000)
Translation adjustment	(3,152,000)	(2,258,000)
Investment allowance	(840,000)	—
Total Liabilities & Shareholders' Equity	$ 213,985,000	$ 217,644,000

* At lower of cost (primarily FIFO) or market.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.01	3.28
%Net Income to Sales	4.02	2.00
%Net Income to Equity	6.98	3.16
Sales to Inventories	3.63	3.25
Working Capital	$124,221,000	$130,417,000
Current Ratio	4.42	4.75
Shareholders' Equity	$167,041,000	$167,735,000

Stocker & Yale, Inc.

P.O. Box 494
Route 128 and Brimbal Avenue
Beverly, Massachusetts 01915
(617) 927-3940

Officers: James Bickman, president & treasurer; John H. Rieman, v.p.; Leonidas V. Chalas, v.p.-finance; Norman B. Asher, clerk.

Directors: James Bickman, Norman B. Asher, Harold M. Band, Leonidas V. Chalas, John H. Rieman, Theodore Singer, George F. Stocker.

Areas of Work: Designs, manufactures, assembles and markets products primarily in five industry segments: optical/electronic measuring instruments, machine tool accessories, material handling accessories, pressure control systems and lensatic compasses. Optical/electronic products consist of optical measuring instruments, electronic counters and lensatic compasses. Tooling products consist of machine accessories, wedge lock actuators and material handling accessories. Pressure control systems consist of hydraulic spring structures for use in industrial stamping and forming.

Divisions:

Stilson Division
Fraser, Michigan
Machine tool and material handling accessories for the automotive, appliance, automated and other high production industries.

Die-Draulic Division
Fraser, Michigan
Manufacturer of hydraulic spring structures for use in stamping presses and dies.

Transfer Agent(s):

The First National Bank of Boston
P.O. Box 644
Boston, Massachusetts 02102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: STKR (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,813,231	$ 1,939,330
1983	7,442,306	1,437,480
1982	7,012,898	1,206,225
1981	8,359,222	1,439,839
1980	7,466,198	1,238,341

	No. of Com. Shares ‡	Earn. per Share †
1984	1,364,249	$ 1.42
1983	1,364,249	1.05
1982	1,364,249	0.88
1981	1,364,249	1.06
1980	1,364,249	0.91

‡ Adjusted to reflect stock splits.
† Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.145	—	—
1983	0.124	—	3-for-2
1982	0.107	—	—
1981	0.107	—	—
1980	0.063	—	4-for-3 & 2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,119,810	$ 7.42
1983	8,378,300	6.14
1982	7,109,238	5.21
1981	6,048,534	4.43
1980	4,754,216	3.48

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 7,813,231	$ 7,442,306
Cost of sales	4,138,833	4,223,699
Expenses	1,217,681	1,204,550
Interest expense	116,696	4,454
Interest income	(394,476)	(266,254)
Dividend income	(253,933)	(175,623)
Income before taxes	$ 2,988,430	$ 2,451,480
Income taxes	1,049,100	1,041,000
Net Income	$ 1,939,330	$ 1,437,480

* Included in Costs and Expenses, Depreciation: $95,728 in 1984 and $84,442 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 751,716	$ 1,047,631
Short-term investment	3,016,884	—
Marketable securities	3,436,834	5,054,160
Receiv., net	1,453,290	1,221,993
*Inventories	2,009,830	1,636,967
Prepaid expenses	54,418	70,905
Current Assets	$ 10,722,972	$ 3,031,656
#Fixed assets	1,993,533	352,676
Total Assets	$ 12,716,505	$ 9,384,332

Liabilities

	1984	1983
Long-term debt, curr.	$ 133,598	$ 32,000
Accts. payable	294,815	218,068
Accruals	407,102	346,490
Income taxes	34,397	146,958
Curr. Liabilities	$ 869,912	$ 743,516
Long-term debt	1,635,000	13,654
Deferred invest. tax credit	—	11,079
Deferred inc. taxes	91,783	237,783
+Common stock	1,364,249	1,364,249
Retained earnings	8,755,561	7,014,051
Total Liabilities & Shareholders' Equity	$ 12,716,505	$ 9,384,332

* At lower of cost (principally FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	38.25	32.94
%Net Income to Sales	24.82	19.31
%Net Income to Equity	19.16	17.61
Sales to Inventories	3.89	4.55
Working Capital	$ 9,853,060	$8,288,140
Current Ratio	12.33	12.15
Shareholders' Equity	$10,119,810	$8,378,300

Storage Technology Corporation

2270 South 88th Street
Louisville, Colorado 80028
(303) 673-5151

Officers: Jesse I. Aweida, chairman of the board & chief executive officer; Naim S. Aweida, president & chief operating officer; Zoltan L. Herger, exec. v.p.-operations; Jacob Atkin, v.p.-optical media operations; Norman B. Barth, v.p.-human resources; Richard D. Benson, v.p.-corporate manufacturing; Nathaniel D. Bernt, v.p. & treasurer; Arthur W. Buckingham, Jr., v.p.-domestic sales; Howard L. Derby, v.p.-worldwide field engineering; Martin J. Chizzick, v.p.-int'l operations; Daniel J. Ellis, v.p.-marketing; Philip A. Ingalls, v.p.-major contracts; William R. Mansfield, v.p.-business program management; Clifford F. Moss, v.p.-central services; Richard H. Ralston, v.p. & gen. mgr.-Disk Div.; Juan A. Rodriguez, v.p. & gen. mgr.-optical storage operations; John C. Scott, v.p.-marketing; Howard Derby, v.p.-worldwide field engineering; David L. Guy, v.p.-OEM marketing; Thomas Gooch, v.p.-domestic field engineering; Frank M. LaHue, v.p.-international manufacuring; Mornay R. Mahoney, v.p.-European operations; William R. Mansfield, v.p.-finance & chief financial officer; Donald A. Oliverio, v.p.-domestic marketing; Sewell I. Sleek, v.p. & gen. mgr.-Tape Division; Donald S. Swatick, v.p.-optical systems operations; Gregory A. Tymn, controller; Paul P. Brountas, corporate secretary; Alan A. Kenney, corporate counsel, asst. secretary & asst. treasurer.

Directors: Jesse I. Aweida, chairman, Charles R. Collins, David J. Dunn, Richard C. Steadman, Robert A. Burgin, Robert E. LaBlanc, Thomas F. Wands, Naim S. Aweida, Harrison Shull.

Areas of Work: Engaged in the design, development and manufacture of computer data storage subsystems and the marketing and maintenance of those subsystems. The subsystems utilize one-half inch magnetic tape and magnetic disk recording techniques. Also engaged in the design, manufacture and service of high speed impact printers and card readers. Also manufactures telecommunications products.

Subsidiaries:

Storage Technology of Australia Pty. Ltd.
586 Pacific Highway
Chatswood, New South Wales
2067 (Sydney) Australia

Storage Technology International S.A.
10 rue de Geneve
Boute 2
1140 Brussels, Belgium

Storage Technology of Canada, Ltd.
51 International Boulevard
Rexdale/Toronto
Ontario M3W 6H3
Canada

Storage Technology Corporation, S.A.
Zone Industrielle
41 Rue Fourny
78350 BUC, France

Storage Technology/B.V.
Jaarbeursplein 17
3521 AN Utrecht
The Netherlands

Storage Technology Italia S.p.A.
Via Elio Vittorini, 78
Palazzo Uffici
00144 Rome, Italy

STC Japan, Ltd.
Taneda Building, 8F, 2-5, 1-Chome
Moto Akasaka
Minato-Ku, Tokyo 107
Japan

Storage Technology Corporation de Puerto Rico Inc.
Highway 127, Lot #13
P.O. Box 7334
Ltuge Industrial Park
Ponce, Puerto Rico 00731

Documation Mayaguez
STC
Zona Industrial Park
P.O. Box 398
Mayaguez, Puerto Rico 00708

Storage Technology (Switzerland) A.G.
Gladbachstrasse 121
8044 Zurich, Switzerland

STO Storage Technology Ltd.
Churston House
Portsmouth Road
Esher, Surrey KT 10 9AD
England

Storage Technology (Europe) Limited
European Headquarters
17 Old Court Place
Kensington, London W8 4PL
England

Storage Technology G m b H
Genferstrasse 11, Postfach 560-147
6000 Frankfurt/M 56
West Germany

Documation Products B V
Jamestown Road
Finglas, Dublin 11, Ireland

Global-Ultimacc Systems, Inc

A majority-owned subsidiary which operates its wholly owned subsidiaries known as STC Systems, Inc , Global Software, Inc , STC Ultimacc Systems, Inc , and STC Ultimacc Associates, L P

Transfer Agent(s):

First National Bank of Boston
Box 644
Boston, Massachusetts 02102

Stock Exchange(s): New York, Boston, Philadelphia, Pacific

Ticker Symbol: STK

Number of Employees:

1983	15,732	1980	11,536
1982	15,830	1979	7,351
1981	15,197		

Plant Footage:

1982 3,776,700 sq ft

Sales and Earnings

		Revenues (000's)		Net Income (000's) ‡
1983	$	886,626	$	(40,867)
1982		1,079,235		64,738
1981		921,963		82,400
1980		603,493		45,400
1979		479,453		39,746

	No of Com Shares	Earn per Share + ‡
1983	34,214,997	$ —
1982	34,124,756	1 88
1981	33,372,506	2 50
1980	27,754,622	1 72
1979	24,568,180	1 58

(Loss)

‡ Including extraordinary credit of $1,411,000 ($0 04 per share) in 1982

+ Based on the average number of shares outstanding

Common Stock Equity

		Total Equity	Equity Per Share
1983	$	503,069,000	$ 14 70
1982		543,308,000	15 92
1981		466,010,000	13 97
1980		251,751,000	9 07
1979		155,470,000	6 33

Income Account *
(000's)

Year ended		12/30/83		12/31/82
Net sales	$	560,302	$	787,498
Other income		326,324		291,737
Total income	$	886,626	$	1,079,235
Cost of sales		672,066		721,871
Expenses		226,857		230,029
Interest expense		20,169		25,378
Income (loss) before taxes	$	(32,466)	$	101,957
Income taxes (credit)		(23,108)		37,156
Inc (loss)-cont oper		(9,358)		64,801
Loss-discont oper		(31,509)		(1,474)
Net Income (Loss)	$	40,867	$	63,327
Extraord gain		—		1,411
Net Income (Loss) & extraord gain	$	(40,867)	$	64,738

* Included in Costs and Expenses, Depreciation and Amortization: $108,937,000 in 1983 and $85,170,000 in 1982

Assets
(000's)

As of		12/30/83		12/31/82
Cash	$	7,909	$	8,933
Accts receiv , net		251,717		197,206
Notes receiv , net		8,620		17,652
Sales-type leases		50,697		56,145
*Inventories		271,439		252,602
Def inc taxes		32,305		—
Current Assets	$	622,687	$	532,538
Notes receiv , net		34,044		21,013
Sales-type leases		95,488		144,743
Rental equipment		85,331		113,863
#Fixed assets		257,737		248,832
†Spare parts		105,431		97,554
Other assets		65,166		47,912
Total Assets	$	1,265,884	$	1,206,455

Liabilities
(000's)

Notes payable	$	13,500	$	—
Long-term debt, curr		26,107		46,284
Accts payable		64,760		52,697
Accruals		149,157		107,982
Income taxes		17,102		13,417
Curr Liabilities	$	270,626	$	220,380
Long-term debt		328,888		251,094
Subordinated debentures		83,258		83,313
Deferred income taxes		80,043		108,360
+ Common stock		3,422		3,412
Add paid-in capital		255,296		254,551
Retained earnings		244,478		285,345
Treasury stock		(127)		—
Total Liabilities & Shareholders' Equity	$	1,265,884	$	1,206,455

* At lower of cost (FIFO) or market

# Less accumulated depreciation

† Less accumulated amortization

+ $0 10 par value

Statistical Summary

%Income bef Taxes to Revenues	—	9 19
%Net Income to Revenues	—	5 87
%Net Income to Equity	—	11 66
Working Capital	$352,061,000	$312,158,000
Current Ratio	2 30	2 42
Shareholders' Equity	$503,069,000	$543,308,000

Sun Chemical Corporation

200 Park Avenue
New York, New York 10166
(212) 986-5500

Officers: Norman E Alexander, chairman of the board & chief executive officer; Robert E Davis, president & chief operating officer; Stuart Z Krinsly, sr exec v.p. & general counsel; Gerald S Gutterman, exec v.p.-finance & administration; Dennis M Libutti, v.p.- Graphic Equipment Group; Bernard M Jaffe, v.p. & secretary; Richard E France, v.p.-purchasing; Monroe Adlman, v.p.-taxes; W.V Machaver, v.p.-industrial relations; Massie E Odiotti, v.p.-general printing ink div.; Joseph D Allwarden, v.p.-Avionic Product, Kollsman Instrument Div.; James Weintraub, v.p.-corporate development; Fred L Gagnon, v.p.-Instruments Group; Daniel J Carlick, v.p.-research & development; David J O'Brien, treasurer; Linda G Kyriakou, dir of corp communications; Henry Dyner, v p -International Graphic Arts, William E Morris, v p -Chemicals Div , Brooke Westover, v p -Casco Products; Louis J Gaspari, v p -GPI Operations; Paul W Klein, v p & gen mgr -Pagments Division; Donald S Bunin, v p -engineering; Peter Ludwig, v p - International Pigments; William P Ksiazck, controller; Leonard S Rodin, asst treasurer

Directors: Norman E Alexander*, chairman of the board; A Leon Fergenson*, Raymond Frankel, David S Gottesman, Stuart Z Krinsly*, Donald D Kummerfeld, Samuel J Levy, Norman I Schafler, Fred R Sullivan, Robert E Davis*, Gerald Tsai, Jr

* Member of the Executive Committee

Areas of Work: Develops, manufactures and markets products for the graphic arts industry, including printing inks and organic pigment colorants and graphic arts equipment such as cylindrical decorators, and labelers for glass and plastic containers, and ultraviolet ink, curing units Products for the non-graphic arts include textile finishing chemicals, aircraft altimetery and instrumentation, and auto cigarette lighters, and replacement vacuum chambers for ignition systems

Through its Kollsman Instrument Division the company is also engaged in the manufacture of thermal night sight, laser range finders, ballistic computers and related sensing devices for the U S Army

Divisions and Subsidiaries:

Graphic Arts Group and General Printing Ink Division
135 West Lake Street
Northlake, Illinois 60164
(312) 562-0550

Graphic Arts Group Laboratory
631 Central Avenue
Carlstadt, New Jersey 07072
(201) 933-4500

Colors Group
4605 Este Avenue
Cincinnati, Ohio 45232
(513) 681-5950

Pigments Division
411 Sun Avenue
Cincinnati, Ohio 45232
(513) 681-5950

Chemicals Division
P O Box 70
Chester, South Carolina 29706
(803) 385-5181

Graphic Equipment Group and Rutherford Machinery Division
401 Central Avenue
East Rutherford, New Jersey 07073
(201) 933-1200

M E G (U S) Inc
401 Central Avenue
East Rutherford, New Jersey 07073
(201) 946-6600

Standun Canforming Systems
2943 E Las Hermans Street
Rancho Dominguez, California 90221
(213) 537-5230

Color Service Division
1702 Kaiser Avenue
Irvine, California 92714
(714) 556-2950

Kollsman Instrument Division
Daniel Webster Highway South
Merrimack, New Hampshire 03054
(603) 889-2500

Casco Products Corporation
512 Hancock Avenue
Bridgeport, Connecticut 06602

Dispersions Division
3922 Bach-Buxton
Amelia, Ohio 45102
(513) 753-9550

Encres Dresse, S A (99% owned)
Brussels, Belgium

Sun Chemical Corporation

General Printing Ink Corporation of Canada, Ltd.
Weston, Ontario, Canada

Ault & Wiborg Group, P/C Limited (83% owned)
London, England

Bavaria Ketronic Technologie GmbH
Hamburg, Germany

Grafisk Farg (50% owned)
Stockholm, Sweden

Oy Magenta (37% owned)
Helsinki, Finland

Sun Chemical (U.K.) Inc.
London, England

Societe France Couleurs, S.A. (95% owned)
Vaujours, France

Materiels Equipements Graphiques
Morangis, France

Kollsman System-Technik, GmbH
Munich, Germany

Baglini S.p.A. (90% owned)
Florence & Milan, Italy

Quimica Flesch S.A. (50% owned)
Santiago, Chile

Sun Chemical de Centro America, S.A. de C.V. (40% owned)
San Salvador, El Salvador

FyL Mexicana, S.A. de C.V.
Mexico City, Mexico

Sun General Printing Ink (Pty.) Ltd. (50% owned)
Capetown, South Africa

Sun Chemical de Panama, S.A. (50% owned)
Panama, Republic of Panama

Fuchs & Lang-Sun Chemical de Venezuela, C.A.
Guarcara, Venezuela

General Printing Ink (Australia) Pty. Ltd. (50% owned)
Victoria, Australia

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 W. 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: SNL

Number of Employees:

1984	8,300	1981	6,300
1983	6,700	1980	6,100
1982	6,400		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 872,900	$ 25,200
1983	746,600	9,500
1982	664,300	1,900
1981	598,800	26,500
1980	514,000	29,300

	No. of Com. Shares †	Earn. per Share #
1984	7,791,663	$ 3.23
1983	7,541,606	1.24
1982	7,492,991	0.26
1981	7,490,204	3.41
1980	6,833,491	4.20

+ Of continuing operations only.
† Adjusted to reflect stock split.
# Based on average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Graphic arts material	$ 556,031	$ 456,216
Graphic arts equip	61,224	43,710
Instruments	169,088	188,343
Other	86,605	58,340
Total	$ 872,948	$ 746,609

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$0.48	—	—
1983	0.48	—	—
1982	0.48	—	—
1981	0.48	—	—
1980	0.40	—	3-for-2

‡ Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 178,501,000	$ 22.91
1983	162,180,000	21.50
1982	165,554,000	22.09
1981	177,667,000	23.72
1980	149,831,000	21.93

+ Adjusted to reflect stock split

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 872,948	$ 746,609
Cost of sales	630,660	538,079
Expenses	167,239	141,204
Oper. profit	$ 75,049	$ 67,326
Other expense	10,480	7,120
Eq. in loss of Chromalloy Amer.	2,261	16,577
Eq. in earn. of affil. cos.	(693)	(1,028)
Interest expense	20,607	19,111
Inc. bef. taxes	$ 42,394	$ 25,546
Income taxes	16,142	15,182
Inc-cont oper	$ 26,252	$ 10,364
Loss-Chromalloy's discont. oper.	1,034	835
Net Income	$ 25,218	$ 9,529

* Included in Costs and Expenses, Depreciation: $20,649,000 in 1984 and $14,752,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 15,780	$ 10,243
Short-term invest.	16,814	12,783
Accts. & notes receiv., net	137,811	106,679
*Inventories	138,943	103,578
Prepaid expenses	8,857	6,009
Current Assets	$ 318,205	$ 239,292
Investments	86,696	111,687
#Fixed assets	178,292	141,771
Defer. charges	4,739	4,965
Intangibles	4,337	4,263
Total Assets	$ 592,269	$ 501,978

Liabilities
(000's)

Bank loans	$ 4,532	$ 2,500
Long-term debt, curr	4,139	4,851
Accts. payable	81,534	67,879
Accruals	27,009	21,039
Res. for losses	18,811	12,652
Accrued payroll	19,489	17,645
Accrued inc. taxes	2,331	5,176
Curr. Liabilities	$ 157,845	$ 131,742
Long-term debt	171,702	137,234
Minority interest	17,725	20,869
Deferred inc. taxes	66,496	49,953
+ Common stock	7,822	7,552
Add. paid-in capital	40,607	36,929
Cum. trans. adjust.	(35,071)	(26,555)
Retained earnings	165,870	144,353
Treasury stock	(727)	(99)
Total Liabilities & Shareholders' Equity	$ 592,269	$ 501,978

* At lower of cost or market. Domestic inventories (excluding instrument and graphic equip. segments) at LIFO, remainder at FIFO.
# Less accumulated depreciation
+ $1 par value

Statistical Summary

%Net Income to Equity	14.13	5.88
Sales to Inventories	6.28	7.21
Working Capital	$160,360,000	$107,550,000
Current Ratio	2.02	1.82
Shareholders' Equity	$178,501,000	$162,180,000

Sun Electric Corporation

One Sun Parkway
Crystal Lake, Illinois 60014
(815) 459-7700

Officers: D. Barry Davis, president & chairman of the board; L. A. Enz, exec. v.p.; Ronald K. Parrish, sr. v.p.-engineering & manufacturing; H. Allan Stark, v.p.-legal & human resources & secretary; Juergen G. Bax, sr. v.p. & president-Sun Electric Europe; Craig A. Loomis, v.p.-finance & chief financial officer; Daniel R. Chapin, v.p.-business development; Clifford D. Cherry, treasurer; Adilson R. DeLuna, v.p.-international operations; John D. Heidewald, v.p.-sales; Carl J. Koskinen, v.p.-quality assurance.

Directors: Philip R. Clarke, Jr.*, Louis G. Langpop*, Lee A. Enz, William E. Callahan*, C. J. Gauthier, Julius Lewis*, Gerald A. Kien*, D. Barry Davis*, H. Allan Stark.

* Member of the Executive Committee.

Areas of Work: Engaged in the design, manufacture and marketing of diagnostic, test and service equipment for the transportation industry, utilizing microcomputer applications and advanced electronics. The company serves primarily the vehicle service industry, consumers, and motor vehicle manufacturers in more than 100 countries. Sun Electric's product line includes engine and emissions analyzers; wheel service equipment, including balancers, aligners and brake service equipment; a line of hand-held engine test equipment for home mechanics and repair professionals; and air conditioning and electrical systems testers. These products aid in vehicle maintenance, improve fuel economy, monitor exhaust emissions and check compliance with safety standards.

Divisions and Subsidiaries:

Suntronic Division
Crystal Lake, Illinois

SECC Financial Services, Inc.
Crystal Lake, Illinois

Sun Electric do Brazil Comercio E
Industria Limitada
Sao Paulo, Brazil

Sun Electric Europe B V
Amsterdam, The Netherlands

Sun Electric Austria GmbH
Vienna, Austria

Suntester (Aust) Pty Ltd
Sydney, Australia

Sun Electric de Puerto Rico, Inc
Arecibo, Puerto Rico

Sun-Electric de Mexico S A de C V
Mexico City, Mexico

Sun Electric U K Limited
King's Lynn, Norfolk, England

Sun Electric Belgium N V
Antwerp, Belgium

Sun Electric Nederland B V
Amsterdam, The Netherlands

Sun Electric Deutschland GmbH
Dusseldorf, West Germany

Sun Electric France, S A
Paris, France

Suntester Equipment (Central) Ltd
Toronto, Ontario, Canada

Sun Electric Systems B V
Weesp, The Netherlands

Musashi Sun Electric K K
Tokyo, Japan

Transfer Agent(s):

Harris Trust & Savings Bank
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York

Ticker Symbol: SE

Number of Employees:

1984	2,752	1981	3,381
1983	2,654	1980	3,435
1982	2,750		

Plant Footage:

1984	1,128,000 sq ft.	1981	N A
1983	1,209,700	1980	1,095,000
1982	N A		

N A - Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 176,472,000	$ (5,099,000)
1983	151,676,000	(2,435,000)
1982	155,959,000	(4,072,000)
1981	177,405,000	(4,278,000)
1980	195,035,000	11,344,000

	No of Com. Shares	Earn. per Share †
1984	6,519,000	$ —
1983	6,436,000	—
1982	6,311,000	—
1981	6,306,000	—
1980	6,297,000	1.97

(Loss)
+ Of continuing operations only
† Based on the average number of shares outstanding

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.36	—	—
1981	0.54	—	—
1980	0.87	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 72,181,000	$ 11.07
1983	77,605,000	12.06
1982	78,990,000	12.52
1981	86,446,000	13.71
1980	95,796,000	15.21

Income Account *

Year ended October 31	1984	1983
Net Sales	$ 176,472,000	$ 151,676,000
Cost of sales	102,909,000	92,922,000
Expenses	75,994,000	67,589,000
Interest expense	6,110,000	4,488,000
Foreign curr trans losses	254,000	368,000
Earn of Sun Elec	(1,752,000)	(1,882,000)
Other expense (income)	547,000	(71,000)
Loss before taxes	$ (7,590,000)	$ (11,738,000)
Tax credit	(2,035,000)	(8,600,000)
Loss - cont oper	$ (5,555,000)	$ (3,138,000)
Inc -discont oper	456,000	703,000
Net Loss	$ (5,099,000)	$ (2,435,000)

* Included in Costs and Expenses, Depreciation and Amortization $5,612,000 in 1984 and $5,608,000 in 1983

Assets

As of Oct 31	1984	1983
Cash	$ 1,774,000	$ 4,531,000
Cert of deposit	771,000	9,425,000
Refund inc taxes	—	356,000
Accts receiv , net	41,063,000	37,589,000
*Inventories	70,695,000	55,525,000
Current Assets	$ 114,303,000	$ 107,426,000
Investments	11,908,000	12,448,000
#Fixed assets	30,787,000	29,240,000
Other assets	5,296,000	6,024,000
Assets of discontinued operations	—	5,338,000
Total Assets	$ 162,294,000	$ 160,476,000

Liabilities

	1984	1983
Notes payable	$ 15,728,000	$ 20,750,000
Accts payable	12,420,000	9,095,000
Accruals	19,325,000	16,213,000
Income taxes	788,000	416,000
Curr Liabilities	$ 48,261,000	$ 46,474,000
Long-term debt	41,372,000	32,364,000
Deferred inc taxes	480,000	4,033,000
+ Common stock	6,519,000	6,436,000
Add paid-in capital	39,896,000	38,691,000
Retained earnings	29,275,000	34,374,000
Cum translation adjustment	(3,509,000)	(1,896,000)
Total Liabilities & Shareholders' Equity	$ 162,294,000	$ 160,476,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

Sales to Inventories	2.50	2.73
Working Capital	$66,042,000	$60,952,000
Current Ratio	2.37	2.31
Shareholders' Equity	$72,181,000	$77,605,000

Sunair Electronics, Inc.

3101 Southwest Third Avenue
Fort Lauderdale, Florida 33315
(305) 525-1505

Officers: Robert Uricho, chairman of the board, president & chief exec officer, Adolf F Klostermann, Sue Steadman, v p 's, William R Dawes, secretary & general counsel, Richard H Hoster, treasurer & controller

Directors: Robert Uricho, chairman, Everett A Cooper, William R Dawes, Barrie Shaw, Earl M Anderson, Jr

Areas of Work: The Company manufactures airborne, mobile, ground, SSB, HF radio transmitters and digital controls

Subsidiaries:

Sunair International Sales Corp (DISC)
3101 Southwest Third Avenue
Fort Lauderdale, Florida 33315
(305) 525-1505

Transfer Agent(s):

American Transfer Co
99 Wall Street
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: SNR

Number of Employees:

1984	137	1983	250

Plant Footage:

1984	80,000 sq ft	1981	80,000
1983	80,000	1980	80,000
1982	N A		

N A Not Available

Sales and Earnings

	Net Sales ‡	Net Income
1984	$ 15,295,287	$ 2,488,086
1983	17,939,816	3,374,073
1982	13,049,543	1,922,799
1981	14,843,276	2,327,608
1980	13,068,035	2,112,612

	No of Com Shares #	Earn per Share #
1984	4,737,930	$ 0.53
1983	4,717,454	0.72
1982	4,711,148	0.41
1981	4,710,538	0.49
1980	4,709,620	0.45

‡ Includes other income
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$0.24	—	—
1983	0.21	—	—
1982	0.20	—	—
1981	0.19	—	2-for-1
1980	0.18	—	—

† Adjusted to reflect stock split

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 20,566,544	$ 4.34
1983	19,228,675	4.07
1982	16,823,188	3.57
1981	15,842,619	3.37
1980	14,390,142	3.06

‡ Adjusted to reflect stock split

Sunair Electronics, Inc.

Income Account *

Year ended Sept 30	1984	1983
Net sales	$ 14,374,123	$ 17,066,783
Cost of sales	7,916,550	9,267,398
Expenses	2,904,651	2,818,345
Interest income	(897,883)	(866,481)
Other income	(23,281)	(6,552)
Income before taxes	$ 4,474,086	$ 5,854,073
Income taxes	1,986,000	2,480,000
Net Income	$ 2,488,086	$ 3,374,073

* Included in Costs and Expenses: Depreciation: $346,456 in 1984 and $296,288 in 1983

Assets

As of Sept 30	1984	1983
Cash	$ 5,264,919	$ 2,878,849
Marketable securities & cert. of deposit		2,307,727
Accts. receiv., net	2,655,431	2,346,394
*Inventories	7,806,773	7,552,662
Prepaid expenses	223,728	204,793
Current Assets	$ 15,950,851	$ 15,290,425
#Fixed assets	1,962,789	1,972,848
Investments	3,561,842	3,739,755
Other assets	83,118	42,016
Total Assets	$ 21,558,600	$ 21,045,044

Liabilities

	1984	1983
Accts. payable	$ 784,359	$ 987,766
Accruals	192,756	288,143
Income taxes	14,941	540,460
Curr. Liabilities	$ 992,056	$ 1,816,369
+ Common stock	480,074	480,074
Add. paid-in capital	2,437,750	2,463,766
Retained earnings	17,829,582	16,477,139
Treasury stock	(180,862)	(192,304)
Total Liabilities & Shareholders' Equity	$ 21,558,600	$ 21,045,044

* At lower of standard cost (FIFO) or market
# Less accumulated depreciation
+ $0.10 par value

Statistical Summary

	1984	1983
% Income bef. Taxes to Sales	31.13	34.30
% Net Income to Sales	17.31	19.77
% Net Income to Equity	12.10	17.55
Sales to Inventories	1.84	2.26
Working Capital	$14,958,795	$13,494,848
Current Ratio	16.08	8.52
Shareholders' Equity	$20,566,544	$19,228,675

Sundstrand Corporation

4751 Harrison Avenue
P.O. Box 7003
Rockford, Illinois 61125
(815) 226-6000

Officers: Evans W. Erikson, chairman of the board & chief executive officer; Don R. O'Hare, vice chairman of the board; Bernard W. Kittle, group v.p.-advanced technology; William R. Kopp, group v.p.-data control; David Mac Morris, exec. v.p.; Philip W. Polgreen, v.p.-personnel & public relations; Kenelm A. Groff, v.p.-administration; Richard M. Schilling, v.p. & general counsel; Ted L. Ross, v.p.-finance & secretary; A. Adrian Kemper, controller; Clarke E. Lemke, treasurer.

Directors: Evans W. Erikson, chairman; Don R. O'Hare, James W. Ethington, Klaus Murmann, Donald E. Nordlund, John A. Puelicher, Thomas G. Pownall, Thomas L. Martin, Jr., Ward Smith.

Areas of Work: The Company's operations can be divided into three groups: power transmission, fluid and heat transfer, and aerospace. Power transmission activities include the manufacture of mechanical power transmissions and couplings for stationary units and marine propulsion drives, hydraulic gear pumps and motors, and controls for a variety of work vehicles and industrial equipment. The aerospace segment manufactures voice and data recorders, tape transport units, navigation systems and data banks, ground proximity warning systems, stall warning systems, controls to supply electrical power for aircraft and related products. The fluid and heat transfer group is engaged in the manufacture of high speed centrifugal pumps and blowers, fuel oil pumps, and heating and cooling components.

Divisions and Subsidiaries:

Sundstrand Hydraulics
2210 Harrison Avenue
Rockford, Illinois 61101
(815) 226-6000

Sundstrand Hydro-Transmission
2800 East 13th Street
Ames, Iowa 50010
(515) 239-6000

Sundstrand Mobile Controls

Sunstrand Hydratec

Sundstrand Fluid Handling
14845 W. 65th Avenue
Arvada, Colorado 8004
(303) 425-0800

The Falk Corporation
P.O. Box 492
Milwaukee, Wisconsin 53201
(414) 342-3131

The Falk Corporation
Auburn Operation
P.O. Box 1387
Auburn, Alabama 36830
(205) 821-9100

Sundstrand Heat Transfer, Inc.
P.O. Box 530
Dowagiac, Michigan 49047
(616) 782-2141

Sundstrand Tubular Products, Inc.
P.O. Box 636
Camdenton, Missouri 65020
(314) 346-5593

Sundstrand Energy Systems
Rockford, Illinois

Sundstrand Advanced Technology

Sundstrand Data Control, Inc.
Overlake Industrial Park
Redmond, Washington 98052
(206) 885-3711
Costa Mesa, California

Trans Com, Division of Sundstrand Data Control, Inc.
3100 Pullman Avenue
Costa Mesa, California 92626
(714) 979-2600

The Falk Corporation of Canada, Ltd.
Rexdale, Ontario, Canada

Falk do Brazil, Equipamentos Industrias Ltda.
Sao Paulo, Brazil

Mecanica Falk, S.A. de C.V.
(49%) owned
Mexico City, Mexico

Sundstrand Pacific (Pte.) Ltd.
Singapore, Republic of Singapore

Sundstrand France
Dijon, France

Nikkiso-Sundstrand Company Limited
(50% owned)
Tokyo, Japan

Munck-Sundstrand Transmissoes Hidro Staticas Ltda.
(40% owned)
Sao Paulo, Brazil

Acquisition(s):

Wulfsberg Electronics, Inc.
Markets specialized communication systems

Sullair Corporation
Manufactures rotary screw compressors and systems for air, gas, process and refrigeration applications.

Signatron, Inc.
Engaged in specialized communication products and custom engineering in radar, communication, computer simulation, software, signal processing, and electronic warfare equipment.

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: SNS

Number of Employees:

1984	15,200	1981	16,100
1983	13,400	1980	15,600
1982	13,100		

Plant Footage:

1984 7,371,000 sq. ft. 1983 7,092,000

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,041,948	$ 66,412
1983	909,318	44,240
1982	961,573	69,300
1981	1,045,687	95,011
1980	926,026	76,907

	No. of Com. Shares #	Earn. per Share #
1984	18,300,000	$ 3.63
1983	18,296,000	2.42
1982	18,375,000	3.77
1981	18,055,000	5.23
1980	16,928,000	4.45

Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Industrial	$ 648,178	$ 567,017
Aerospace	393,770	342,301
Total	$ 1,041,948	$ 909,318

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.80	—	—
1983	1.80	—	—
1982	1.80	—	—
1981	1.70	—	—
1980	1.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 535,785,000	$ 29.28
1983	500,399,000	27.35
1982	489,001,000	26.61
1981	454,341,190‡	25.16
1980	371,904,900‡	21.97

‡ After allowing for preferred stock at redemption value.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *
(000's)

Year ended Dec. 31		1984		1983
Net sales	$	1,041,948	$	909,318
Cost of sales		688,375		620,401
Expenses		238,654		208,815
Interest expense		25,322		23,141
Royalties & commissions		(4,112)		(4,359)
Interest income		(13,469)		(10,537)
Eq. in income of unconsol. cos.		(2,224)		(2,465)
Other expense (income)		(2,248)		(3,759)
Income before taxes	$	111,650	$	70,563
Income taxes		45,238		26,323
Net Income	$	66,412	$	44,240

* Included in Costs and Expenses, Depreciation and Amortization: $61,808,000 in 1984 and $55,153,000 in 1983.

Assets
(000's)

As of Dec. 31		1984		1983
Cash	$	6,749	$	15,990
Accts. receiv., net		165,059		161,541
*Inventories		345,122		293,589
Other assets, curr.		18,991		19,540
Curr. Assets	$	535,921	$	490,660
#Fixed assets		399,471		342,392
Other assets		154,488		83,660
Total Assets	$	1,089,880	$	916,712

Liabilities
(000's)

		1984		1983
Notes payable	$	44,961	$	22,788
Long-term debt, curr.		12,982		12,189
Accts. payable		84,533		62,642
Accruals		70,821		38,067
Accrued payroll		36,126		32,116
Income taxes		7,774		16,451
Curr. Liabilities	$	257,197	$	184,453
Long-term debt		161,370		119,341
Deferred inc. taxes		135,528		112,519
+ Common stock		18,704		18,550
Add. paid-in capital		117,674		115,646
Retained earnings		424,014		389,221
Foreign currency translation adjustment		(10,364)		(8,619)
Treasury stock		(6,589)		(7,825)
Unamortized value of restricted stock issue		(7,654)		(6,574)
Total Liabilities & Shareholders' Equity	$	1,089,880	$	916,712

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	10.72	7.76
%Net Income to Sales	6.37	4.87
%Net Income to Equity	12.40	8.84
Sales to Inventories	3.02	3.10
Working Capital	$278,724,000	$306,207,000
Current Ratio	2.08	2.66
Shareholders' Equity	$535,785,000	$500,399,000

The Superior Electric Company

383 Middle Street
Bristol, Connecticut 06010
(203) 582-9561

Officers: Maurice P. Andrien, Jr., president & chief executive officer; John H. Crozier, gen counsel & secretary; Robert E. Lowrey, treasurer; Martin Kaplan, v.p.-research & development; Frank S. Doyle, v.p.-finance; Arthur C. Savage, v.p.-marketing; Harold W. Lorenson, v.p.-sales.

Directors: Maurice P. Andrien, Jr.*, Betty H. Jerome*, Donald A. Nelson*, Richard B. Nelson, Oswald G. Villard, Jr.*, James R. Dempsey, Donald S. McCoy, John B. Krauss, Stephen J. Ruffi, Alfred B. Nelson.

* Member of the Executive Committee

Areas of Work: Engaged in the design, engineering, manufacturing and marketing of a range of electronic products, voltage controls and motion controls. Voltage controls include variable transformers, automatic voltage regulators, and light controls. Motion controls include synchronous stepping motors, and stepping control devices.

Subsidiaries:

The American Superior Electric Company, Limited
38 Torlake Crescent
Toronto, Ontario MBZ 1B3 Canada

Superior Electric Nederland B.V.
Koperwerf 33
2544 EM The Hague, The Netherlands

Superior Electric G.m.b.H.
Frankfurt, Germany

Superior Electric Engineering Services, B.V.
Harlow, Essex, England

Superior Electric International Sales Company
Bristol, Connecticut 06010

Superior Electric S.A.R.L.
Paris, France

Transfer Agent(s):

The Connecticut Bank & Trust Company
Hartford, Connecticut

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SUPE (NASDAQ)

Sales and Earnings

		Net Sales		Net Income
1984	$	56,096,000	$	2,872,000
1983		44,438,000		338,000
1982		42,777,000		210,000
1981		45,074,000		1,201,000
1980		49,832,000		2,711,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,594,351	$1.11
1983	2,590,372	0.13
1982	2,586,230	0.08
1981	2,582,741	0.47
1980	2,579,237	1.05

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividend.

Revenues By Line of Business

		1984 (000's)		1983 (000's)
Voltage Control	$	20,008	$	16,878
Motion Control		36,088		27,560
Total	$	56,096	$	44,438

Common Stock

	Cash Dividend †	Stock Dividend	Stock Split
1984	$ —	5%	—
1983	—	—	—
1982	0.29	—	—
1981	0.38	—	—
1980	0.37	—	—

† Adjusted to reflect stock dividend.

Common Stock Equity

		Total Equity	Equity Per Share †
1984	$	23,869,000	$9.19
1983		21,377,000	8.25
1982		21,356,000	8.25
1981		22,053,000	8.54
1980		22,166,000	8.59

† Adjusted to reflect stock dividend.

Income Account *

Year ended Dec. 31		1984		1983
Net sales	$	56,096,000	$	44,438,000
Cost of sales		34,517,000		30,284,000
Expenses		13,458,000		11,548,000
Product develop.		2,786,000		2,126,000
Interest expense		975,000		786,000
For. curr. ex. ch.		47,000		21,000
Other income		(26,000)		(181,000)
Income (loss) before taxes	$	4,339,000	$	(146,000)
Tax credit		1,467,000		(484,000)
Net Income	$	2,872,000	$	338,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,290,000 in 1983.

Assets

As of Dec. 31		1984		1983
Cash	$	2,772,000	$	4,780,000
Accts. receiv., net		8,149,000		7,546,000
*Inventories		17,637,000		12,814,000
Other current assets		869,000		616,000
Refundable inc. taxes		—		817,000
Current Assets	$	29,427,000	$	26,573,000
#Fixed assets		10,491,000		9,263,000
Other assets		595,000		591,000
Total Assets	$	40,513,000	$	36,427,000

Liabilities

		1984		1983
Notes payable	$	1,900,000	$	1,000,000
Long-term dept, curr.		900,000		900,000
Accts. payable		2,808,000		2,645,000
Accrued pension		1,072,000		690,000
Accrued payroll & compen.		1,273,000		755,000
Income taxes		746,000		514,000
Other taxes		762,000		714,000
Other accruals		706,000		552,000
Curr. Liabilities	$	10,167,000	$	7,770,000
Long-term debt		6,200,000		7,100,000
Deferred inc. taxes		277,000		180,000
+ Common stock		2,596,000		2,469,000
Add. paid-in capital		14,748,000		13,656,000
Retained earnings		7,663,000		5,983,000
Eq. adjust. from for curr. trans.		(1,138,000)		(731,000)
Total Liabilities & Shareholders' Equity	$	40,513,000	$	36,427,000

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	7.73	—
%Net Income to Sales	5.12	0.76
%Net Income to Equity	12.03	1.58
Sales to Inventories	3.18	3.47
Working Capital	$19,260,000	$18,803,000
Current Ratio	2.89	3.42
Shareholders' Equity	$23,869,000	$21,377,000

Survival Technology, Inc.

8101 Glenbrook Road
Bethesda, Maryland 20814
(301) 656-5600

Officers: Stanley J. Sarnoff, chairman of the board, chief exec. officer & president; George B. Calkins, v.p. engineering; Elliot Bartner, v.p. new antidotes; Douglas J. Greenwold, v.p.-outpatient care division; Cabot R. Caskie, exec. v.p., chief operating officer & secretary; Doris L. Geier, asst. secretary; Sharon A. Santa, treasurer

Directors: Stanley J. Sarnoff*, chairman; Robinson Bosworth, Jr.; Robert E. Herzstein*; Brian H. Doyes; Paul D. Paganucci; Cabot R. Caskie; George S. Blanchard

* Member of the Executive Committee

Areas of Work: Develops, manufactures and sells syringes, electronic cardiac monitoring equipment, automatic injectors, and emergency care products

Divisions:

Pharmaceutical Division
2555 Hermelin Drive
St. Louis, Missouri

Outpatient Care Division
New York
Houston

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland

Stock Exchange(s): Over the Counter

Ticker Symbol: SURV (NASDAQ)

Number of Employees:

1984	233	1982	N.A.
1983	326	1981	265

Plant Footage:

1984	97,400 sq. ft.	1982	N.A.
1983	97,400	1981	25,000

N.A.–Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 24,265,000	$ (766,600)
1983	25,396,000	946,800
1982	20,300,000	748,000
1981	17,904,000	883,600
1980	15,471,000	652,600

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,629,000	$ —
1983	2,594,000	0.37
1982	2,572,000	0.29
1981	2,522,000	0.35
1980	2,490,000	0.26

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding

Revenue By Line of Business

	1984	1983	1982	1981
Military automatic injectors	63%	74%	70%	68%
Cardiac monitoring equip.	1	1	2	4
Cardiac monitoring serv.	13	9	8	7
Emergency care prods.	10	8	9	9
Syringe prods.	13	7	10	11
Other	—	1	1	1
Total	100%	100%	100%	100%

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 6,996,600	$ 2.66
1983	7,462,000	2.88
1982	6,292,000	2.45
1981	5,418,700	2.15
1980	4,124,200	1.66

‡ Based on the weighted average number of common shares and common share equivalents outstanding

Income Account

Year ended July 31	1984	1983
Net sales	$ 24,265,200	$ 25,396,100
Cost of sales	16,476,600	15,834,500
Expenses	7,144,500	6,748,700
Depreciation & amortization	1,417,900	1,100,300
Interest expense	846,300	321,500
Other income	(66,700)	(311,900)
Royalty expense	128,200	381,700
Income (loss) bef. taxes	$ (1,681,600)	$ 1,321,300
Income taxes (credit)	(915,000)	374,500
Net Income (Loss)	$ (766,600)	$ 946,800

Assets

As of July 31	1984	1983
Cash	$ 258,600	$ 267,700
Receivables, net	3,430,600	3,146,900
Inc. taxes refund	373,300	370,100
*Inventories	5,431,000	3,952,500
Prepaid expenses & deposits	597,400	747,500
Current Assets	$ 10,091,400	$ 8,484,700
#Fixed assets	6,767,600	5,981,300
Intangibles	580,100	664,400
Other assets	604,000	411,800
Total Assets	$ 18,043,100	$ 15,542,200

Liabilities

	1984	1983
Notes payable	$ 2,675,000	$ 1,200,000
Long-term debt, curr.	242,000	55,000
Accts. payable	1,193,500	2,176,000
Accruals	843,900	740,100
Deferred inc. taxes	409,500	864,500
Curr. Liabilities	$ 5,363,900	$ 5,035,600
Long term debt	5,682,600	2,745,000
Def. income taxes	—	299,600
+ Common stock	264,300	260,700
Add. paid-in capital	1,468,400	1,170,800
Retained earnings	5,263,900	6,030,500
Total Liabilities & Shareholders' Equity	$ 18,043,100	$ 15,542,200

* At lower of cost (FIFO) or market
# Less accumulated depreciation and amortization
+ $0.10 par value

Statistical Summary

% Income bef. Taxes to Sales	—	5.20
% Net Income to Sales	—	3.73
% Net Income to Equity	—	12.69
Sales to Inventories	4.47	6.43
Working Capital	$4,727,500	$3,449,100
Current Ratio	1.88	1.68
Shareholders' Equity	$6,996,600	$7,462,000

Sybron Corporation

1100 Midtown Tower
Rochester, New York 14604
(716) 546-4040

Officers: James M. Kieffer, chairman of the board; Herbert W. Jarvis, president & chief executive officer; Alfred M. Hallenbeck, v.p., general counsel and secretary; James P. McCloskey, v.p.-finance & treasurer; David W. Carter, executive v.p.-operations; Raymond W. Strohm, group v.p.-Laboratory Products; Robert H. Stegemann, v.p. & controller; Jeffrey Albin, v.p.-planning & development; Basil H. Dumbleton, v.p.-corporate and investor relations; James T. Swartout, group v.p.-Dental Operations; Hansjoerg Cohnen, asst. treasurer; Dennis R. Olson, asst. controller

Directors: William B. vonBerg; William F. Andrews; Richard C. Farley; Joseph P. Fox; Alexander D. Hargrave; Herbert W. Jarvis; James M. Kieffer; Donald D. Lennox; James P. O'Neill; Robert L. Sproull; Joseph P. Sullivan

Divisions:

Medical Products Group

Sybron Corporation
1100 Midtown Tower
Rochester, New York 14604
(716) 546-4040

Produces equipment, supplies and provides services for medical and dental practitioners for use in offices, hospitals and laboratories

Castle Division
P.O. Box 23077
1777 E. Henrietta Road
Rochester, New York 14692
(716) 475-1400

Clinical Technology Division
P.O. Box 23245
3750 Monroe Avenue
Pittsford, New York 14534
(716) 385-7800

Cryogenic Associates
P.O. Box 68710
6565 Coffman Road
Indianapolis, Indiana 46268
(317) 298-7133

Liebel-Flarsheim Division
2111 E. Galbraith Road
Cincinnati, Ohio 45215
(513) 761-2700

Tycos Life Science Division
Glenn Bridge Road
Arden, North Carolina 28704
(704) 684-8111

Laboratory Products Group

Sybron Corporation
1100 Midtown Tower
Rochester, New York 14604
(716) 546-4040

Engaged in the manufacture of a variety of laboratory supplies including reusable labware, stirrers and heating apparatus, micro-centrifuges, microscopic slides, analytical testing and water filtration equipment

Analytical Products Division
221 Rivermoor Street
Boston, Massachusetts 02132
(617) 469-3300

Barnstead Company
225 Rivermoor Street
Boston, Massachusetts 02132
(617) 327-1600

Brinkmann Instruments Company
Cantiague Road
Westbury, New York 11590
(516) 334-7500

Erie Scientific Company
Portsmouth Industrial Park
Post Road
Portsmouth, New Hampshire 03801
(603) 431-8410

Mediatech Division
13884 Park Center Road
Herndon, Virginia 22071
(703) 471-5955

Nalge Company
P.O. Box 365
75 Panorama Creek Drive
Rochester, New York 14603
(716) 586-8800

Thermolyne Corporation
2555 Kerper Boulevard
Dubuque, Iowa 52001
(319) 556-2241

Sybron Chemicals Inc
P.O. Box 66
Birmingham Road
Birmingham, New Jersey 08011
(609) 893-1100

Manufactures specialty chemicals, ion exchange resins and generic organic chemicals used as treatment compounds, additives and catalysts.

America Division
Headquarters at
Sybron Chemicals Inc
P.O. Box 66
Birmingham Road
Birmingham, New Jersey 08011
(609) 893-1100

Europe Division
Headquarters at
Sybron Chemicals Europe S.A.R.L.
62-70, Rue Yvan Tourguenell
78380 Bougival, France
(33 + 3) 918-92-34

Fat East Division
Headquarters at
Sybron Chemicals Inc
121 South Maple Avenue, No. 16
So. San Francisco, California 94080
(415) 873-1750

Dental Products Group
Sybron Corporation
2020 Ridge Avenue
Evanston, Illinois 60201
(312) 866-4500

Kerr Company
P.O. Box 455
28200 Wick Road
Romulus, Michigan 48174
(313) 946-7800

Midwest Division
901 West Oaktron
Des Plaines, Illinois 60018
(312) 640-4800

Ormco Division
1332 South Lone Hill Avenue
Glendora, California 91740
(818) 331-3335

Transfer Agent(s):

Lincoln First Bank, N.A.
Stock Transfer Dept
P.O. Box 1250
Rochester, New York 14603

Stock Exchange(s): New York

Ticker Symbol: SYB

Number of Employees:

1984	N.A.	1981	14,192
1983	8,831	1980	15,169
1982	12,109		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income
1984	$ 501,083,000	$ (10,828,000)
1983	458,015,000	(26,701,000)
1982	375,885,000	6,615,000
1981	374,483,000	27,606,000
1980	364,312,000	20,787,000

	No. of Com Shares #	Earn per Share #
1984	9,914,000	$ —
1983	9,751,000	
1982	9,639,000	0 [illegible]
1981	10,914,000	2.53
1980	10,907,000	1.91

(Loss)
+ Of continuing operations only
# Based on the average number of common shares and common share equivalents outstanding

Revenue By Line of Business
(000's)

	1984	%	1983	%
Life sciences:				
Med. & hosp. prods	$111,529	22%	$100,433	22%
Consumer prods	21,872	5	19,421	4
Dental equip	127,154	25	118,972	26
Lab. prods	149,320	30	132,067	26
Chemicals				
Textile chemicals	91,208	18	87,122	19
Total	$501,083	100%	$458,015	$100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.08	—	—
1983	1.08	—	—
1982	1.08	—	—
1981	1.08	—	—
1980	1.08	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 166,849,000	$ 16.83
1983	191,867,000	19.38
1982	225,910,000	23.44
1981	236,052,000	24.56
1980	234,104,000	24.53

‡ After allowing for preferred stock at involuntary liquidation value

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 501,083,000	$ 458,015,000
Other income	11,636,000	4,244,000
Total Income	$ 512,719,000	$ 462,259,000
Cost of sales	296,710,000	273,123,000
Expenses	169,423,000	150,272,000
Interest expense	14,051,000	13,782,000
Other income	(256,000)	(3,374,000)
Income before taxes	32,791,000	28,456,000
Income taxes	13,600,000	9,850,000
Inc.-cont. oper	$ 19,191,000	$ 18,606,000
Loss-discont. oper	(30,019,000)	(45,307,000)
Net Loss	$ (10,828,000)	$ (26,701,000)

* Included in Costs and Expenses, Depreciation: $13,283,000 in 1984 and $11,901,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 2,686,000	$ 1,692,000
Marketable securities	75,813,000	63,659,000
Accts. & notes receiv., net	117,283,000	111,820,000
*Inventories	86,244,000	74,109,000
Prepaid expenses & other assets	18,344,000	16,565,000
Assets of discont. oper	—	26,781,000
Current Assets	$ 300,370,000	$ 294,626,000
Assets of discont. oper	—	7,975,000
#Fixed assets	92,230,000	84,567,000
Intangibles	15,790,000	13,657,000
Other assets	20,431,000	47,999,000
Assets of discont. oper	—	7,975,000
Total Assets	$ 428,821,000	$ 448,824,000

Liabilities

Short-term debt	$ 11,460,000	$ 7,115,000
Long-term debt, curr	7,557,000	4,038,000
Accts. payable	35,854,000	39,638,000
Income taxes	14,082,000	10,778,000
Accruals	57,125,000	46,354,000
Curr. Liabilities	$ 126,078,000	$ 107,923,000
Long-term debt	88,247,000	95,444,000
Pension oblig. for subsid	9,668,000	9,271,000
Deferred inc. taxes	4,150,000	15,021,000
Other liab	18,640,000	13,701,000
+ Preferred stock	2,762,000	2,836,000
+ + Common stock	24,869,000	24,773,000
Add. paid-in capital	6,731,000	6,574,000
Cum. trans. adjust	(10,550,000)	(8,160,000)
Retained earnings	158,439,000	181,654,000
Treasury stock	(213,000)	(213,000)
Total Liabilities & Shareholders' Equity	$ 428,821,000	$ 448,824,000

* At lower of cost or market. Domestic inventories at LIFO remainder at approx. current costs.
# Less accumulated depreciation
+ $4 par value; $2.40 cum. covert
+ + $2.50 par value

Statistical Summary

Sales to Inventories	5.81	6.18
Working Capital	$174,292,000	$195,734,000
Current Ratio	2.38	2.81
Shareholders' Equity	$182,038,000	$207,464,000

Sykes Datatronics, Inc.

375 Orchard Street
Rochester, N.Y. 14606
(716) 458-8000

Officers: Robert F. Sykes, chairman, president & chief executive officer; William S. Christiansen, v.p.-engineering operations; Richard L. Danzinger, v.p.-marketing; Joseph N. Schepisi, v.p.-manufacturing; Ronald Borges, v.p.-customer service & telephone cost management sales; Robert V. Giannini, secretary

Directors: Robert F. Sykes, John R. Sykes, Martin F. Birmingham, Frank M. Hutchins, Jack C. Corey, Jr., Ernest I. Reveal, Lester A. Gerhardt, Robert V. Giannini

Areas of Work: Engaged in the design, development, manufacture and marketing of microprocessor-based equipment for use in data communication and information processing applications.

Transfer Agent(s):

Lincoln First Bank, N.A.
P.O. Box 1250
Rochester, New York 14603

Stock Exchange(s): Over-the-Counter

Ticker Symbol: SYKE (NASDAQ)

Number of Employees:

1985	275	1982	710
1984	447	1981	408
1983	608		

Plant Footage:

1984	190,000 sq. ft.	1981	360,000
1983	400,000	1980	125,000
1982	400,000		

Sales and Earnings

	Net Sales	Net Income
1985	$ 20,235,000	$ (14,015,000)
1984	33,883,000	(3,863,000)
1983	42,799,672	608,666

1982	45,407,559	7,846,834
1981	24,174,408	3,354,015

	No. of Com Shares #	Earn. per Share #
1985	12,826,549‡	$ —
1984	12,786,179‡	—
1983	12,738,937	0.05
1982	12,736,401	0.62
1981	11,221,503	0.30

(Loss)
# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.
‡ Common stock equivalent shares not included.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	—	—	—
1984	—	—	—
1983	—	—	—
1982	—	200%	—
1981	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 17,808,000	$ 1.39
1984	31,616,000	2.47
1983	35,079,177	2.75
1982	33,631,158	2.64
1981	24,980,654	2.23

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended	2/28/85	2/29/84
Net sales	$ 20,235,000	$ 33,883,000
Cost of sales	18,985,000	20,425,000
Expenses	19,685,000	21,065,000
Interest income	(110,000)	(110,000)
Interest expense	1,290,000	703,000
Other expense (income)	(2,105,000)	13,000
Loss bef. taxes	$ (17,510,000)	$ (8,213,000)
Tax credit	(3,495,000)	(4,350,000)
Net Loss	$ (14,015,000)	$ (3,863,000)

* Included in Costs and Expenses. Depreciation: $2,679,000 in 1984 and $2,532,498 in 1983.

Assets

As of	2/28/85	2/29/84
Cash & short-term invest.	$ 2,342,000	$ 51,000
Accts. receiv., net	2,606,000	3,155,000
Refundable income taxes	380,000	6,073,000
Lease receiv., curr.	3,380,000	2,277,000
*Inventories	10,480,000	11,748,000
Deferred inc. taxes	—	195,000
Other curr. assets	227,000	622,000
Current assets	$ 19,393,000	$ 24,121,000
#Fixed assets	9,362,000	16,416,000
Lease receiv.	3,556,000	5,386,000
Other assets	376,000	112,000
Total Assets	$ 32,687,000	$ 46,035,000

Liabilities

Long-term debt, curr.	$ 670,000	$ 606,000
Accts. payable	3,657,000	2,655,000
Accruals	2,013,000	2,000,000
Curr. Liabilities	$ 6,340,000	$ 5,261,000
Long-term debt	8,539,000	6,433,000
Deferred inc. taxes	—	2,725,000
+ Common stock	1,284,000	1,281,000
Add. paid-in capital	22,268,000	22,667,000
Deferred stock option	(417,000)	(1,020,000)
Retained earnings (deficit)	(5,327,000)	8,688,000
Total Liabilities & Shareholders' Equity	$ 32,687,000	$ 46,035,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

Sales to Inventories	1.93	2.88
Working Capital	$13,053,000	$18,860,000
Current Ratio	3.06	4.58
Shareholders' Equity	$17,808,000	$31,616,000

Tab Products Co.

1400 Page Mill Road
Palo Alto, California 94304
(415) 852-2400

Officers: H.W. LeClaire, president & chief exec. officer; Philip M. Croel, v.p.; Kurt Lein, v.p.-international operations; John Petry, v.p.; Dennis R. Searles, v.p.-finance & secretary; R.J. Sexton, treasurer & asst. sec.

Directors: H.W. LeClaire*, F.S. Foote, Jr., J.D. MacConnell, C. Lester Hogan, Robert Augsberger, C.D. Means*, D.E. Moffitt.

* Member of the Executive Committee.

Areas of Work: Develops, manufactures and markets computer accessories, office filing systems, electronic data entry equipment.

Subsidiaries:

Tab Products of Canada Ltd.
550 McNicoll Avenue
Willowdale, Ontario, M2H 2E1, Canada
(416) 495-6844

Tab Products (Europa) B.V.
Ellermanstraat 5
1099 BW Amsterdam-Amstel II
The Netherlands

Tab Sales Corp.
Palo Alto, California

Transfer Agent(s):

Crocker National Bank
50 First Street
San Francisco, California 94105

Stock Exchange(s): American

Ticker Symbol: TBP

Number of Employees:

1984	N.A.	1981	1,051
1983	1,165	1980	1,051
1982	N.A.		

Plant Footage:

1984	N.A.	1981	450,000
1983	600,000 sq. ft.	1980	450,000
1982	N.A.		

N.A.- Not Available.

Sales and Earnings

	Revenues	Net Income
1984	$ 113,595,000	$ 6,303,000
1983	101,461,000	4,315,000
1982	97,519,000	3,550,000
1981	88,965,000	3,318,000
1980	83,016,000	4,148,000

	No. of Com. Shares +	Earn. per Share #
1984	4,385,105	$ 1.42
1983	4,322,007	1.00
1982	4,342,983	0.82
1981	4,325,878	0.77
1980	4,309,308	0.97

+ Adjusted to reflect stock splits.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.15	—	3-for-2
1983	0.11	—	3-for-2
1982	0.09	—	—
1981	0.08	—	3-for-2
1980	0.06	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 36,912,000	$ 8.42
1983	30,685,000	7.10
1982	26,831,000	6.18
1981	23,632,000	5.46
1980	20,524,000	4.77

‡ Adjusted to reflect stock splits.

Income Account *

Year ended May 31	1984	1983
Net sales & oper. rev.	$ 113,595,000	$ 101,461,000
Cost of sales	60,577,000	54,654,000
Expenses	41,099,000	38,355,000
Interest expense	666,000	892,000
Income before taxes	$ 11,253,000	$ 7,560,000
Income taxes	4,950,000	3,245,000
Net Income	$ 6,303,000	$ 4,315,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,625,000 in 1984 and $4,261,000 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 1,016,000	$ 1,478,000
Accts. receiv., net	18,521,000	17,880,000
*Inventories	13,884,000	11,820,000
Prepaid expenses	1,602,000	1,744,000
Current Assets	$ 35,023,000	$ 32,922,000
#Fixed assets	20,638,000	17,434,000
Other assets	497,000	523,000
Total Assets	$ 56,158,000	$ 50,879,000

Liabilities

Long-term debt, curr.	198,000	224,000
Accts. payable	$ 5,628,000	$ 5,671,000
Commissions	2,706,000	2,213,000
Other accruals	3,760,000	3,318,000
Income taxes	566,000	916,000
Curr. Liabilities	$ 12,858,000	$ 12,342,000
Long-term debt	5,955,000	7,457,000
Deferred taxes	433,000	395,000
+ Common stock	4,680,000	4,088,000
Retained earnings	32,448,000	26,725,000
Foreign curr. translation	(216,000)	(128,000)
Total Liabilities & Shareholders' Equity	$ 56,158,000	$ 50,879,000

* Domestic inventories purchased for resale are valued at LIFO; remainder at FIFO or average.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	9.91	7.45
%Net Income to Sales	5.55	4.25
%Net Income to Equity	17.08	14.06
Working Capital	$22,165,000	$20,580,000

Current Ratio	2.72	2.67
Shareholders' Equity	$36,912,000	$30,685,000

Talley Industries, Inc.

2702 North 44th Street
Phoenix, Arizona 85008
(602) 957-7711

Officers: William H. Mallender, chief executive officer & chairman; Jack C. Crim, president & chief operating officer; Donald L. Corey, v.p.-corp. development; Daniel R. Mullen, treasurer; Edward T. Ryan, Jr., v.p.; Mark S. Dickerson, general counsel & secretary; Kenneth May, controller.

Directors: William H. Mallender*, chairman; Jack C. Crim, Oliver Grace, Jr., Townsend W. Hoopes, John D. MacNaughton, Jr., Emiel T. Nielsen, Jr., Thomas F. Reddy, Jr.*, John C. Robinson, Fred G. Schuller, Wesley A. Stanger, Jr.*, John W. Stodder

* Member of the Executive Committee

Areas of Work: The Government & Technical Segment includes aircraft escape systems, components for aircraft crew escape systems, rocket motors, gas generators, and other ballistically actuated devices, and safe and arm devices. Ballistic and ordnance products are generally sold under prime contract directly to the U.S. Government. Also sells a variety of other government products, including video mappers, BITE indicators, potentiometers, miniature switches, and electronics. The Commercial Segment includes products such as timing devices (automobile clocks, clock radio timers, battery clock movements, industrial timers and elapsed time indicators), molded plastic parts, and wholesale distribution of building supplies. Also manufactures and distributes other products including a variety of fractional horsepower motors, electro-magnetic clutches and brakes, humidity control devices, and metal stampings, clocks and watches. The Apparel Segment imports and distributes menswear, and womenswear. The Realty Segment operates in the Greater Phoenix area. Engaged in the sale of land to developers for commercial and residential development.

Divisions, Subsidiaries & Affiliates:

Government and Technical
Talley Defense Systems Inc.
4551 East McKellips Road
Mesa, Arizona 85205
(602) 832-3830

Minelco Inc.
135 South Main Street
Thomaston, Connecticut 06787
(203) 283-8261

Electrodynamics Division
1200 Hicks Road
Rolling Meadow, Illinois 60008
(312) 259-0740

Dimetrics, Inc.
Diamond Springs, California

Universal Propulsion Company, Inc.
Phoenix, Arizona

Talley Metals Technology, Inc.
McBee, South Carolina

Clocks and Timing products

General Time Instruments Inc.
Davidson, North Carolina

Talley Canada Inc.
Peterborough, Canada

Stencel Aero Engineering Corporation
Arden, North Carolina

General Time Corporation
Norcross, Georgia

Talley U.K., Ltd.
Strathieuen, Scotland

Joint Venture(s):

Relogios Brasil S.A.
Sao Paulo, Brazil

Transfer Agent(s):

Manufacturers Hanover Trust
 Company of California
Post Office Box 711267
Los Angeles, California 90071

Chemical Bank
55 Water Street
New York, N.Y. 10041

Stock Exchange(s): New York, Boston, Philadelphia

Ticker Symbol: TAL

Number of Employees:

1984	N.A.	1981	6,500
1983	3,900	1980	7,800
1982	5,300		

N.A.-Not Available

Sales and Earnings

	Net Sales +	Net Income ‡
12/31/84	$ 306,478,000	$ 10,474,000
12/31/83*	210,833,000	6,713,000
3/31/83	264,109,000	8,190,000
3/31/82	311,425,000	(7,256,000)
3/31/81	376,765,000	(4,304,000)

	No. of Com. Shares	Earn. per Share †‡
12/31/84	5,941,000	$ 1.30
12/31/83*	5,941,000	0.83
3/31/83	5,941,000	1.12
3/31/82	4,813,000	—
3/31/81	4,811,000	—

(Loss)
* 9 months
+ Of continuing operations only
‡ Including extraordinary gain of $2,762,000 ($0.38 per share) in the year ending Mar. 31, 1983.
† Based on average number of shares outstanding.

Revenues By Line of Business
(000's)

	12/31/84	12/31/83
Clocks & watches	$ 102,680	$ 75,937
Apparel	68,555	51,068
Specialty prods.	25,525	14,203
Government prods. & services	89,472	65,490
Realty	20,246	4,135
Total	$ 306,478	$ 210,833

Common Stock Equity

	Total Equity *	Equity Per Share
12/31/84	$ 63,479,000	$ 10.68
12/31/83	56,046,000	9.43
3/31/83	49,832,000	8.39
3/31/82	36,061,000	7.49
3/31/81	45,365,000	9.43

* After allowing for preferred stock at total involuntary liquidation preference value.

Income Account *
(000's)

Year ended	12/31/84	12/31/83
Net sales	$ 306,478	$ 210,833
Cost of sales	221,395	148,424
Expenses	64,688	48,035
Other income	(7,514)	(4,846)
Interest expense	10,356	5,785
Interest capitalized	(1,339)	(91)
Income before taxes	$ 18,892	$ 13,526
Income taxes	8,418	6,813
Net Income	$ 10,474	$ 6,713

* Included in Costs and Expenses, Depreciation and Amortization: $5,878,000 in 1984 and $4,257,000 in 1983.

Assets
(000's)

As of	12/31/84	12/31/83
Cash	$ 2,474	$ 2,704
Marketable securities	12,030	1,011
Accts. receiv., net	64,961	49,713
*Inventories	71,066	82,221
Deferred inc. taxes	—	85
Prepaid expenses	2,094	2,479
Current Assets	$ 152,625	$ 138,213
Long-term receiv.	11,338	9,232
#Fixed assets	51,826	34,682
Defer. charges & other assets	4,151	2,844
Intangibles	13,583	8,484
Total Assets	$ 233,523	$ 193,455

Liabilities
(000's)

Notes payable	$ 553	$ 575
Long-term debt, curr.	4,025	2,433
Realty debt	10,051	7,573
Accts. payable	15,228	12,886
Accruals	20,143	26,244
Deferred income taxes	339	—
Curr. Liabilities	$ 50,339	$ 49,711
Revolving bank debt	—	900
Long-term debt	65,598	37,708
Deferred inc. taxes	7,434	4,155
Other liabilities	8,565	5,884
+ Preferred stock:		
Series A	98	98
Series B	1,783	1,830
+ + Common stock	5,925	5,951
Add. paid-in capital	46,486	47,177
For. curr. trans. adj.	(1,081)	(233)
Retained earnings	48,36	40,274
Total Liabilities & Shareholders' Equity	$ 233,523	$ 193,455

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value, cumulative convertible.
+ + $1 par value.

Statistical Summary

% Income bef. Taxes to Sales	6.16	6.42
% Net Income to Sales	3.42	3.18
% Net Income to Equity	10.31	7.06
Sales to Inventories	4.31	2.56
Working Capital	$102,286,000	$88,502,000
Current Ratio	3.03	2.78
Shareholders' Equity	$101,587,000	$95,097,000

Tandem Computers Incorporated

19333 Vallco Parkway
Cupertino, California 95014
(408) 725-6000

Officers: Thomas J. Perkins, chairman of the board; James G. Treybig, president & chief executive officer; Robert C. Marshall, sr. v.p. & chief operating officer; Lawrence A. Laurich, v.p.-engineering; David R. Mackie, v.p.-U.S. marketing; Jan E. Jensen, v.p.-human resources; Dennis McEvoy, v.p.-software development; Jeanne D. Wohlers, v.p. & controller; Michael K. Bateman, v.p. & div. mgr.; Thomas A. Bechler, v.p. & div. mgr.; Jack W. Chapman, v.p. & managing dir.-European Div.; George Eckert, v.p. & div. mgr.; Thomas L. Chun, v.p.-legal affairs & secretary; Richard A. Lamb, treasurer; Lawrence W. McGraw, v.p.-marketing & service; Michael C. Moore, v.p. & div. mgr.; Gerald L. Peterson, v.p.-international marketing; Jerald D. Reaugh, v.p.-MIS; David J. Rynne, v.p. & chief financial officer; Stephen C. Schmidt, v.p.-operations; Charles J. Yazel, v.p. & div. mgr.

Tandem Computers Incorporated

Directors: Thomas J. Perkins*, Morton Collins, Thomas J. Davis, Jr.*, Franklin P. Johnson, Jr., Robert C. Marshall, Robert G. Stone, Jr., James G. Treybig*, John B.M. Place, Andrew Knight.

* Member of the Executive Committee.

Areas of Work: Designs, develops, manufactures, markets and services multiple processor computer systems solely dedicated to on-line transaction processing and software. The Tandem NonStop System eliminates the risk of system failures and protects the customer's data base from damage caused by electronic hardware malfunctions.

Operating Units:

Eastern Division
One Penn Plaza
New York, New York 10119

Central Division
1827 Walden Office Square
Schaumberg, Illinois 60195

Western International Division
245 Santa Ana Court
Sunnyvale, California 94086

Tandem Computers Canada Limited
180 Duncan Mill Road
Don Mills, Ontario M3B 1Z6
Canada

Tandem Computers Limited
Peel House, 32-34 Church Road
Northolt, Middlesex UB5 5AB
England

Tandem Non Stop Pty., Ltd.
Sydney, Melbourne
Australia

Tandem Computers S.A.
1, Place des Etats-Unis
Silic 255
94568 Rungis Cedex, France

Tandem Computers, S.A./N.V.
Brussels, Belgium

Tandem Computers GmbH
Bernerstrasse 34
6000 Frankfurt/Main 56
Germany

Tandem Computers A.B.
Industrivagen 20 2TR
S-171 48 Solna
Sweden

Tandem Computers A/S
Taastrup, Denmark

Tandem NONSTOP Pty. Ltd.
Wellington, New Zealand

Tandem Computers A.S.
Oslo, Norway

Tandem Computers Italia S.p.A.
Via del Ghisallo 20
Milan, Italy

Tandem Computers Japan Limited
3-1-1 Hagashi Ikebukuro
Toshima-ku
Tokyo, Japan

Tandem Computers B.V.
Koningin Juliana Plein 30-20
2595 AA The Hague, Netherlands

Tandem Computers AG
Zweierstrasse 138
8003 Zurich, Switzerland

Tandem Computers (Hong Kong) Limited
Kowloon, Hong Kong

Tandem Computers International, Inc.
Singapore

Tandem Computers Ltd.
Dublin, Republic of Ireland

Tandem Computers Iberica S.A.
Madrid, Spain

Transfer Agent(s):

Bank of America, N.T. & S.A.
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TNDM (NASDAQ)

Number of Employees:

1984	5,223	1981	2,731
1983	4,396	1980	1,387
1982	3,821		

Sales and Earnings

	Revenues	Net Income
1984	$ 532,620,000	$ 42,908,000
1983	418,282,000	30,805,000
1982	312,143,000	29,856,000
1981	208,397,000	26,549,000
1980	108,989,000	10,687,000

	No. of Com. Shares #	Earn. per Share #
1984	41,399,000	$ 1.04
1983	40,784,000	0.76
1982	39,221,000	0.76
1981	37,025,000	0.72
1980	30,241,000	0.35

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	3-for-1
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 375,122,000	$ 9.06
1983	310,993,000	7.63
1982	250,988,000	6.40
1981	204,810,000	5.53
1980	70,294,000	2.32

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Revenues	$ 532,620	$ 418,282
Cost of revenues	218,810	168,708
Prod. develop.	52,514	39,168
Expenses	210,195	160,635
Interest income	(5,183)	(730)
Income before taxes	$ 56,284	$ 50,501
Income taxes	13,376	19,696
Net Income	$ 42,908	$ 30,805

* Included in Costs and Expenses, Depreciation and Amortization: $22,741,000 in 1984 and $18,836,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & cash invest.	$ 106,862	$ 93,501
Accts. receiv., net	146,342	119,558
*Inventories	92,375	85,920
Prepaid expenses	6,998	11,775
Current Assets	$ 352,577	$ 310,754
#Fixed assets	141,502	98,781
Other assets	7,794	5,990
Total Assets	$ 501,873	$ 415,525

Liabilities
(000's)

Cap. lease oblig., curr.	$ 15,025	$ 3,335
Accts. payable	36,350	27,960
Accruals	33,359	20,343
Accrued inc. taxes	4,440	4,971
Curr. Liabilities	$ 89,174	$ 56,609
Cap. lease oblig.	11,744	15,434
Long term debt	5,411	8,523
Deferred inc. taxes	20,422	23,966
+ Common stock	1,015	989
Add. paid-in capital	228,206	206,911
Retained earnings	146,001	103,093
Total Liabilities & Shareholders' Equity	$ 501,873	$ 415,525

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.025 par value.

Statistical Summary

%Income bef. Taxes to Revenues	10.57	12.07
%Net Income to Revenues	8.06	7.36
%Net Income to Equity	11.44	9.91
Working Capital	$263,403,000	$254,145,000
Current Ratio	3.95	5.49
Shareholders' Equity	$375,122,000	$310,993,000

Tandy Corporation

1800 One Tandy Center
Fort Worth, Texas 76102
(817) 390-3700

Officers: John V. Roach, chairman of the board, president & chief executive officer; John McDaniel, senior v.p. & controller; Charles W. Tindall, Jr., senior v.p. & treasurer; Herschel C. Winn, sr. v.p. & secretary; Billy R. Roland, Loyd Turner, v.p.'s, Manufacturing; Donald L. Bock, asst. treasurer; Louis G. Neumann, asst. secretary.

Directors: John V. Roach*, chairman; Phil R. North*, William C. Conner, Lawrence E. Dempsey, William T. Smith, Alfred J. Stein, Jesse L. Upchurch*, John A. Wilson, Robert R. Lowdon*, G.R. Nugent, Donald L. Bryant, Lewis E. Kornfeld, Jr.*

* Member of the Executive Committee.

Areas of Work: Manufactures minicomputers and various other consumer electronics products in 29 factories in 5 different countries. The Lika subsidiary manufactures printed circuit boards.

Divisions and Subsidiaries:

Radio Shack Division
Tandy International Electronics
Tandy Electronics Manufacturing
A & A International Trading Companies
Tandy Computer Leasing
Tandy Life Insurance Company
Lika Corporation
Memtek Products
Tandy Systems Designs
Tandy Magnetic Media
Tandy Instruments
Tandy Molded Products
Tandy Apparatus

O'Sullivan Industries
Manufactures furniture for electronic equipment.

Transfer Agent(s):

First National Bank of Boston (Common Stock)
Boston, Massachusetts

InterFirst Bank of Fort Worth, N.A. (Debentures)
Fort Worth, Texas

Texas American Bank Fort Worth N.A.
(Common Stock & Debentures)
Fort Worth, Texas

Stock Exchange(s): New York

Ticker Symbol: TAN

Number of Employees:

1984	N.A.	1981	26,000
1983	32,000	1980	22,000
1982	31,000		

Plant Footage:

1984	N.A.	1981	1,880,793
1983	2,434,000 sq.ft.	1980	1,600,000
1982	2,142,000		

N.A.-Not Available

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 2,736,986	$ 281,871
1983	2,475,188	278,521
1982	2,032,555	224,085
1981	1,691,373	169,602
1980	1,384,637	112,235

	No. of Com. Shares ‡	Earn. per Share ‡
1984	102,328,000	$ 2.75
1983	104,335,000	2.67
1982	103,395,000	2.17
1981	102,578,000	1.65
1980	103,644,000	1.12

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1
1980	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 988,696,000	$ 9.66
1983	1,120,872,000	10.74
1982	812,677,000	7.86
1981	571,863,000	5.57
1980	283,125,000	2.73

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account

Year ended June 30	1984	1983
Net sales	$ 2,736,986	$ 2,475,188
Other income	47,493	38,109
Total Income	$ 2,784,479	$ 2,513,297
Cost of sales	1,184,531	1,008,187
Expenses	1,014,827	930,244
Depreciation & amortization	46,079	38,679
Interest expense	4,363	8,905
Income before taxes	$ 534,679	$ 527,282
Income taxes	252,808	248,761
Net Income	$ 281,871	$ 278,521

Assets
(000's)

As of June 30	1984	1983
Cash	$ 154,655	$ 279,743
Accts. & notes receiv., net	122,910	107,530
*Inventories	910,530	844,097
Other assets	40,456	31,928
Current Assets	$ 1,228,551	$ 1,263,298
#Fixed assets	288,854	257,620
Other assets	135,039	60,990
Total Assets	$ 1,652,444	$ 1,581,908

Liabilities
(000's)

Notes payable	$ 51,036	$ 55,737
Accts. payable	88,961	64,640
Accruals	130,386	115,054
Income taxes	5,003	50,668
Curr. Liabilities	$ 275,386	$ 286,099
Long-term debt	224,297	15,482
Subord. deb.	123,251	122,938
Other liabilities	18,312	18,835
Deferred inc. taxes	22,502	17,682
+ Common stock	95,645	105,645
Add. paid-in capital	75,413	68,111
Retained earnings	914,297	969,626
For. curr. trans.	(21,672)	(16,297)
Treasury stock	(74,987)	(6,213)
Total Liabilities & Shareholders' Equity	$ 1,652,444	$ 1,581,908

* At lower of cost (primarily average cost) or market.
# Less accumulated depreciation.
+ $1 par value

Statistical Summary

%Income bef. Taxes to Sales	19.54	21.30
%Net Income to Sales	10.30	11.25
%Net Income to Equity	28.51	24.85
Sales to Inventories	3.01	2.93
Working Capital	$953,165,000	$ 977,199,000
Current Ratio	4.46	4.42
Shareholders' Equity	$988,696,000	$1,120,872,000

T-Bar Incorporated

141 Danbury Road
Post Office Box T
Wilton, Connecticut 06897
(203) 834-8227

Officers: A. Henry Morgan, chairman of the board & chief executive officer; James B. Lambert, president & chief operating officer; Thomas J. Infantino, v.p.-sales; Walter R. Jonson, v.p.-marketing operations; Zygmund Reich, sr. v.p.-engineering; Raymond Mazurek, v.p.-technical marketing; John P. Ponziani, v.p.-finance & administration; Gerrit J. Rohner, v.p.-operations; L.J. Seiden, v.p.-research & engineering; Arthur C. Smalley, corporate controller; Evelyn R. Yoder, corporate secretary.

Directors: A. Henry Morgan, chairman; James W. Deer, James B. Lambert, Allan M. Doyle, Jr., Daniel D. Ross, James K. Lindsay.

Areas of Work: Manufactures proprietary switching and control equipment used to increase the performance of on-line data communications, data processing and information systems.

Transfer Agent(s):

Union Trust Company
300 Main Street
P.O. Box 700
Stamford, Connecticut 06904

Bradford Trust Company
67 Broad Street
New York, New York 10004

Stock Exchange(s): American

Ticker Symbol: TBR

Sales and Earnings

	Net Sales	Net Income
1983	$ 34,517,748	$ 781,812
1982	29,622,532	398,026
1981	30,406,982	1,943,912
1980	23,563,196	1,096,301
1979	18,545,481	1,533,562

	No. of Com. Shares #	Earn. per Share #
1983	3,633,898	$ 0.22
1982	3,129,898	0.13
1981	3,222,609	0.60
1980	3,260,250	0.34
1979	3,112,594	0.49

# Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	5%	—
1982	—	5%	3-for-2
1981	—	—	5-for-4
1980	—	—	—
1979	—	—	7-for-5

Common Stock Equity

	Total Equity	Equity Per Share ‡
1983	$ 19,543,554	$ 5.38
1982	11,703,922	3.74
1981	11,927,827	3.70
1980	9,668,960	2.97
1979	8,285,876	2.66

‡ Adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 34,517,748	$ 29,622,532
Cost of sales	22,175,647	18,421,639
Expenses	10,196,019	9,898,404
Oper. profit	$ 2,146,082	$ 1,302,489
Interest expense	1,547,157	1,372,175
Deferred compensation	—	(771,822)
Translation gain	(174,387)	—
Income before taxes	$ 773,312	$ 702,136
Income taxes (credit)	(8,500)	304,110
Net Income	$ 781,812	$ 398,026

* Included in Costs and Expenses, Depreciation and Amortization: $1,309,087 in 1983 and $743,536 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 42,082	$ 487,409
Accts. receiv., net	11,266,435	8,565,441
Tax refund	1,196,623	—
*Inventories	13,792,524	12,988,808
Prepaid expenses	669,665	433,704
Current Assets	$ 26,967,329	$ 22,475,362
#Fixed assets	6,869,620	3,765,954
Equip. on oper. leases	2,062,281	1,781,196
Other assets	1,103,416	959,596
Investments	1,471,837	—
Total Assets	$ 38,474,483	$ 28,982,108

Liabilities

Short-term borrowings	$ 4,115,000	$ 4,300,000
Long-term debt, curr.	133,000	133,000
Accts. payable	2,862,054	3,708,471
Advances	17,134	236,932
Accruals	946,017	951,746
Income taxes	117,980	49,005
Oblig. under cap. leases, curr.	236,908	127,603

Curr. Liabilities	$ 8,428,093	$ 9,506,757
Long-term debt	8,202,000	6,335,000
Deferred inc. taxes	509,348	457,430
Oblig. under cap leases	1,785,658	956,035
Advances	5,830	22,964
+Common stock	968,226	782,474
Add. paid-in capital	13,157,975	5,939,791
Retained earnings	5,720,945	4,983,886
Treasury stock	(303,592)	(2,229)
Total Liabilities & Shareholders' Equity	$ 38,474,483	$ 28,982,108

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.25 per value.

Statistical Summary

%Income bef. Taxes to Sales	2.24	23.70
%Net Income to Sales	2.26	1.34
%Net Income to Equity	4.00	3.40
Sales to Inventories	2.50	2.28
Working Capital	$18,539,236	$12,968,605
Current Ratio	3.20	2.36
Shareholders' Equity	$19,543,554	$11,703,922

TEC, Incorporated

2727 North Fairview Avenue
P.O. Box 5646
Tucson, Arizona 85703
(602) 792-2230

Officers: Don V. Hamilton, chairman of the board & chief executive officer; Byron C. Hamilton, president & chief operating officer; W.H.J. Selders, exec. v.p., treasurer & secretary; Barry A. Hamilton, v.p.-sales, component group; Bruce M. Hamilton, v.p. & gen. mgr.-component group; Ivan D. Schlaefer, v.p.-human resources; William P. Perry, v.p.-purchasing; William E. Wallin, v.p. & corp. controller.

Directors: Don V. Hamilton*, chairman; Byron C. Hamilton, Edward B. Grayden*, Hayward A. Gay*, Kelvin T. Bacon, John P. Schaefer, W.H.J. Selders.

* Member of the Executive Committee.

Areas of Work: Provides electronic and electro-mechanical human interface products for original equipment manufacturers, as well as performing subcontract assembly for select customers.

Divisions:

Component Group
Tucson, Arizona 85705
Produces Tec-Lite TM switches, indicators and readouts; keyboards, Data-Monitor TM annunciators; Data-Panel displays for the data processing and control industry.

Peripheral Group
Tucson, Arizona 85704
Develops and manufactures computer input/output Data-Screen terminals, and subcontract products.

Transfer Agent(s):

First Interstate Bank of Arizona, N.A.
P.O. Box 1871
Tucson, Arizona 85702

Stock Exchange(s): American

Ticker Symbol: TCK

Number of Employees:

1984	393	1981	642
1983	429	1980	371
1982	569		

Plant Footage:

1984	150,000 sq. ft.	1981	150,000
1983	150,000	1980	150,000
1982	150,000		

Sales and Earnings

	Net Sales	Net Income +
1984	$ 14,898,000	$ 349,000
1983	14,817,000	(1,007,000)
1982	21,442,000	397,000
1981	19,012,000	179,000
1980	15,641,000	208,000

	No. of Com. Shares	Earn. per Share +
1984	826,901	$ 0.41
1983	826,901	—
1982	826,901	0.48
1981	825,151	0.22
1980	825,151	0.25

(Loss)
+ Including extraordinary gain of $73,000 ($0.09 per share) in 1984.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ --	—	—
1983	0.06	—	—
1982	0.08	—	—
1981	0.08	—	—
1980	0.24	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 5,310,000	$ 6.42
1983	4,961,000	6.00
1982	6,018,000	7.28
1981	5,676,000	6.88
1980	5,563,000	6.74

Income Account *

Year ended June 30	1984	1983
Net sales	$ 14,898,000	$ 14,817,000
Cost of sales	11,515,000	12,642,000
Expenses	2,712,000	3,117,000
Prov. for doubtful accts.	50,000	480,000
Oper. profit (Loss)	$ 621,000	$ (1,422,000)
Other income	85,000	71,000
Total	$ 706,000	$ 1,351,100
Other expense	257,000	316,000
Income (loss) before taxes	$ 449,000	$ (1,667,000)
Income taxes (credit)	173,000	(660,000)
Net Income (Loss)	$ 276,000	$ (1,007,000)
Extraordinary gain	73,000	—
Net Income (Loss) & extraord. gain	$ 349,000	$ (1,007,000)

* Included in Costs and Expenses, Depreciation: $636,000 in 1984 and $594,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 524,000	$ 502,000
Receivables, net	2,100,000	1,890,000
Income taxes receiv.	—	423,000
*Inventories	1,931,000	2,212,000
Prepaid expenses	15,000	42,000
Current Assets	$ 4,570,000	$ 5,069,000
#Fixed assets	3,558,000	3,957,000
Other assets	513,000	386,000
Total Assets	$ 8,641,000	$ 9,412,000

Liabilities

Notes payable	$ 500,000	$ 1,580,000
Long-term debt, curr.	509,000	522,000
Accts. payable	620,000	365,000
Accruals	843,000	727,000
Income taxes	28,000	—
Curr. Liabilities	$ 2,500,000	$ 3,194,000
Long-term debt	759,000	1,257,000
Deferred inc. taxes	72,000	—
+Common stock	165,000	165,000
Add. paid-in capital	1,403,000	1,403,000
Retained earnings	3,742,000	3,393,000
Total Liabilities & Shareholders' Equity	$ 8,641,000	$ 9,412,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.01	—
%Net Income to Sales	1.85	—
%Net Income to Equity	5.20	—
Sales to Inventories	7.72	6.70
Working Capital	$2,070,000	$1,875,000
Current Ratio	1.83	1.59
Shareholders' Equity	$5,310,000	$4,961,000

Tech Serv, Inc.

5301 Holland Drive
Beltsville, Maryland 20705
(301) 474-2900

Officers: Frank L. Goodwin, Jr., president; Eli W. Fleming, v.p.-corporate operations, secretary & treasurer; Fred M. Marks, v.p.-R.S. Systems.

Directors: Eli W. Fleming, Frank L. Goodwin, Jr., Ronald C. Ray, William M. Stevens, Fred M. Marks.

Areas of Work: Manufactures electronic controls and electromechanical systems used in the life science research and education fields and radio-controlled miniature aerial target systems and radio controls which are used in guidance of miniature aircraft and other applications.

Divisions and Subsidiaries:

Industrial Controls Division
Beltsville, Maryland 20705
(301) 474-2900

RS Systems
Beltsville, Maryland 20705
(301) 474-2900

Tech Serv International, Inc. (DISC)
A domestic international sales corporation.

Transfer Agent(s):

Maryland National Bank
225 North Calvert Street
Baltimore, Maryland 21203

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	30	1982	90
1983	N.A.	1981	100

Plant Footage:

1984	28,300 sq. ft.	1982	28,000
1983	28,300	1981	28,000

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income †
1984	$ 1,018,921	$ (502,950)
1983	2,943,539	128,437
1982	3,067,706	(27,538)
1981	2,633,650	19,196
1980	1,917,574	(19,704)

	No. of Com. Shares ‡	Earn. per Share ‡ †
1984	573,566	$ —
1983	573,566	0.22
1982	571,576	—

1981	561,879	0.03
1980	556,566	—

(Loss)
† Including extraordinary gains of $39,331 ($0.07 per share) in 1983 and $13,219 ($0.02 per share) in 1981.
‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ (273,522)	$ —
1983	229,428	0.40
1982	100,991	0.18
1981	127,911	0.23
1980	105,363	0.19

(Deficiency).
† Based on the weighted average number of shares outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 1,018,921	$ 2,943,539
Cost of sales	851,972	2,066,303
Expenses	636,264	650,597
Interest expense	76,712	101,671
Other income	(43,077)	(3,469)
Inc. (loss) bef. taxes	$ (502,950)	$ 128,437
Income taxes	—	39,331
Net Income (Loss)	$ (502,950)	$ 89,106
Extraord. gain	—	39,331
Net Income (Loss) & extraord. gain	$ (502,950)	$ 128,437

* Included in Costs and Expenses, Depreciation: $23,776 in 1984 and $27,115 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 91,375	$ 270,898
Cert. of deposit	175,000	—
Accts. receiv., net	94,280	122,357
*Inventories	142,627	267,006
Prepaid expenses	26,332	42,618
Billings on uncomp. U.S. Gov't contracts	—	85,754
Current Assets	$ 529,614	$ 788,633
#Fixed assets	255,247	279,675
Note receivable	268,041	—
Other assets	5,970	7,213
Total Assets	$ 1,058,872	$ 1,075,521

Liabilities

Long-term debt, curr.	$ 17,040	$ 49,268
Accts. payable	92,535	117,035
Interest payable	51,251	—
Notes payable	175,000	—
Accruals	57,642	91,700
Billings in exc. of cost	45,586	—
Curr. Liabilities	$ 439,054	$ 258,003
Long-term debt	262,789	97,917
Indebt. to related parties	477,173	490,173
Deferred profit	153,378	—
+ Common stock	63,248	63,248
Add. paid-in capital	1,135,536	1,135,536
Deficit	(1,421,551)	(918,601)
Treasury stock	(50,755)	(50,755)
Total Liabilities & Shareholders' Equity	$ 1,058,872	$ 1,075,521

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.36
%Net Income to Sales	—	3.03
%Net Income to Equity	—	38.84
Sales to Inventories	7.14	11.02
Working Capital	$ 90,560	$530,630
Current Ratio	1.21	3.06
Shareholders' Equity (Deficiency)	$(273,522)	$229,428

Technical Communications Corporation

100 Domino Drive
Concord, Massachusetts 01742
(617) 862-6035

Officers: Arnold M. McCalmont, president; Herbert A. Lerner, treasurer; Edward E. Hicks, secretary & clerk.

Directors: Edward E. Hicks, Dean L. Kellogg, Herbert A. Lerner, Arnold M. McCalmont, Blanten C. Wiggin.

Areas of Work: Involved in the design, development and sale of communications security devices, data modulators and demodulators, signaling and supervisory control communication equipment and computer interface equipment.

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TCCO (NASDAQ)

Number of Employees:

1984	N.A.	1981	49
1983	80	1980	47
1982	80		

Plant Footage:

1984	N.A.	1981	12,600
1983	22,800 sq. ft.	1980	12,600
1982	22,800		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,127,302	$ 281,825
1983	4,776,027	501,141
1982	5,154,659	646,915
1981	2,386,771	100,513
1980	2,129,942	49,573

	No. of Com. Shares +	Earn. per Share #
1984	1,120,810	$ 0.25
1983	1,119,910	0.43
1982	1,094,810	0.57
1981	1,083,654	0.09
1980	1,069,654	0.05

+ Adjusted to reflect stock dividend.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	100%	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 2,624,175	$ 2.34
1983	2,341,550	2.09
1982	1,823,785	1.67
1981	1,173,725	1.08
1980	1,067,052	1.00

# Adjusted to reflect stock dividend.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 4,127,302	$ 4,776,027
Cost of sales	1,632,677	2,002,248
Expenses	2,332,654	2,414,491
Oper. income	$ 161,971	$ 359,288
Other income	76,854	269,853
Income before taxes	$ 238,825	$ 629,141
Income taxes (credit)	(43,000)	128,000
Net Income	$ 281,825	$ 501,141

* Included in Costs and Expenses, Depreciation and Amortization: $96,132 in 1984 and $69,316 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 114,848	$ 222,981
Accts. receiv., net	436,576	391,521
Short-term investments	712,901	1,162,456
*Inventories	1,113,829	1,100,048
Refundable income taxes	333,068	106,191
Other assets	73,898	82,495
Current Assets	$ 2,785,120	$ 3,065,692
Cash value of life ins.	38,356	33,326
#Fixed assets	485,227	343,379
Deferred income taxes	80,753	92,953
Other assets	7,982	8,031
Loan receivable	90,192	90,192
Total Assets	$ 3,487,630	$ 3,633,573

Liabilities

Accts. payable	$ 113,733	$ 355,745
Accruals	178,142	478,618
Customers advances	274,466	235,348
Deferred inc. taxes	76,665	16,665
Curr. Liabilities	$ 643,006	$ 1,086,376
Deferred compensation	220,449	205,647
+ Common stock	112,081	111,991
Add. paid-in capital	708,693	707,983
Retained earnings	1,803,401	1,521,576
Total Liabilities & Shareholders' Equity	$ 3,487,630	$ 3,633,573

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.79	13.17
%Net Income to Sales	6.83	10.49
%Net Income to Equity	10.74	21.40
Sales to Inventories	3.71	4.34
Working Capital	$2,142,114	$1,979,316
Current Ratio	4.33	2.82
Shareholders' Equity	$2,624,175	$2,341,550

The Technical Materiel Corporation

700 Fenimore Road
Mamaroneck, New York 10543
(914) 698-4800

Officers: E.J. Hofmann, president; Frank Budetti, v.p.; Ray H. de Pasquale, treasurer; Ruth S. Taylor, secretary.

Directors: R.H. de Pasquale, chairman; E.J. Hofmann, F. Budetti, G.W. Jennings, D.C. MacDonald.

The Technical Materiel Corporation

Areas of Work: Engaged in the engineering and manufacture of single sideband radio communications equipment, including field installation, servicing and maintenance.

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 1,980,924	$ 392,517
1983	2,900,623	578,927
1982	3,448,288	154,729
1981	2,344,376	92,349
1980	2,925,379	223,263

	No. of Com. Shares	Earn. per Share †
1984	2,847,704	$ 0.14
1983	2,847,704	0.20
1982	2,847,704	0.05
1981	2,847,704	0.03
1980	2,847,704	0.08

† Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,960,123	$ 0.69
1983	1,566,458	0.55
1982	983,825	0.35
1981	830,082	0.29
1980	741,591	0.26

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 1,980,924	$ 2,900,623
Cost of sales	1,135,912	1,659,818
Expenses	737,153	992,165
Interest expense	167,010	196,906
Gain on sale	(444,672)	(441,043)
Other income	(11,460)	(90,975)
Income before taxes	$ 396,981	$ 583,752
Income taxes	4,464	4,815
Net Income	$ 392,517	$ 578,937

* Included in Costs and Expenses, Depreciation and Amortization: $31,153 in 1984 and $30,290 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 62,166	$ 73,825
Accts. receiv., net	286,670	373,125
*Inventories	3,124,569	3,078,270
Prepaid expenses	39,302	51,548
Current Assets	$ 3,512,709	$ 3,576,768
#Fixed assets	207,610	521,381
Total Assets	$ 3,720,319	$ 4,098,149

Liabilities

	1984	1983
Notes payable	$ 450,000	$ 650,000
Mortgage notes payable	25,000	35,440
Demand notes payable	370,000	370,000
Accts. payable	51,637	24,702
Other accrued taxes	38,559	31,622
Curr. Liabilities	$ 935,196	$ 1,111,764
Long-term debt	825,000	1,419,927
+ Common stock	355,963	355,963
Add. paid-in capital	6,924,042	6,924,042
Accumulated deficit	(5,319,882)	(5,712,399)
Translation adj.	—	(1,148)
Total Liabilities & Shareholders' Equity	$ 3,720,319	$ 4,098,149

* At lower of cost average or market.
# Less accumulated depreciation and amortization.
+ $0.125 par value.

Statistical Summary

%Net Income to Sales	19.81	19.96
%Net Income to Equity	20.03	36.96
Sales to Inventories	0.63	0.94
Working Capital	$2,577,513	$2,465,004
Current Ratio	3.76	3.22
Shareholders' Equity	$1,960,123	$1,566,458

Technitrol, Inc.

1952 E. Allegheny Avenue
Philadelphia, Pennsylvania 19134
(215) 426-9105

Officers: Roy E. Hock, chairman & president; James J. Rafferty, Jr., v.p.; J. Barton Harrison, secretary; Robert J. Citrino, treasurer.

Directors: Roy E. Hock, chairman; William J. McDermott, Gordon Palmer, Jr., Frank K. Kelemen, J. Barton Harrison, Edwin S. Eichert, III, James M. Papada, III, James J. Rafferty, Jr., Thomas J. Flakoll.

Areas of Work: Manufactures power transformers, pulse transformers, delay lines, electronic scales, electronic force measuring instruments and electronic components.

Divisions:

Components & Transformer Division
Philadelphia & Petersburg, Pennsylvania
Greensboro, Maryland

Products Division
1952 East Allegheny Avenue
Philadelphia, Pennsylvania 19134

Subsidiaries:

Advanced Metallurgy, Inc.
McKeesport, Pa.; Plum Boro, Pa.; Lancaster, Pa.
Manufactures electrical contacts for circuit breakers and semiconductor devices.

John Chatillon & Sons, Inc.
Kew Gardens, N.Y. and Greensboro, N.C.
Manufactures scales, force measuring instruments, and springs.

Technitrol International, Inc.
Wilmington, Delaware

Transfer Agent(s):

First Pennsylvania Bank, N.A.
Philadelphia, Pennsylvania

Stock Exchange(s): American

Ticker Symbol: TNL

Number of Employees:

1984	706	1982	526
1983	565	1981	771

Sales and Earnings

	Net Sales +	Net Income
1984	$ 37,833,000	$ 3,552,000
1983	32,401,000	2,665,000
1982	25,432,000	1,661,000
1981	29,036,000	1,213,000
1980	24,692,000	1,107,000

	No. of Com. Shares †	Earn. per Share ‡
1984	2,010,750	$ 1.77
1983	2,009,500	1.33
1982	2,007,920	0.76
1981	2,238,520	0.94
1980	2,228,820	0.68

+ Of continuing operations only.
† Adjusted to reflect stock split.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Electronic products	$ 11,727	$ 6,156
Electrical products	15,325	14,725
Mechanical products	8,348	8,406
Services	2,433	3,114
Total	$ 37,833	$ 32,401

Common Stock

	Cash Dividend†	Stock Dividend	Stock Split
1984	$0.24	—	—
1983	0.325	—	2-for-1
1982	0.165	—	—
1981	0.155	—	—
1980	0.135	—	—

† Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 16,322,000	$ 8.12
1983	13,269,000	6.60
1982	11,019,000	5.49
1981	11,149,000	4.98
1980	10,309,000	4.63

† Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 37,833,000	$ 32,401,000
Cost of sales	25,043,000	21,559,000
Expenses	6,588,000	5,388,000
Other income	(290,000)	(184,000)
Income before taxes	$ 6,492,000	$ 5,638,000
Income taxes	3,190,000	2,714,000
Disc. tax credit	(250,000)	—
Income from cont. oper.	$ 3,552,000	$ 2,924,000
Loss from discont. oper.	—	(259,000)
Net Income	$ 3,552,000	$ 2,665,000

* Included in Costs and Expenses, Depreciation and Amortization: $665,000 in 1984 and $555,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 4,649,000	$ 3,629,000
Accts. & notes receiv., net	5,306,000	5,174,000
*Inventories	6,343,000	5,389,000
Prepaid expenses	217,000	175,000
Current Assets	$ 16,515,000	$ 14,367,000
#Fixed assets	4,150,000	3,051,000
Net investment	—	181,000
Other assets	402,000	446,000
Total Assets	$ 21,067,000	$ 18,045,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 42,000	$ 38,000
Accts. payable	1,338,000	1,096,000
Accruals	1,352,000	1,105,000
Income taxes	631,000	699,000
Dividends payable	151,000	121,000
Curr. Liabilities	$ 3,514,000	$ 3,059,000
Long-term debt	1,171,000	1,213,000
Deferred inc. taxes	60,000	504,000
+ Common stock	373,000	187,000
Add. paid-in capital	1,521,000	1,503,000
Retained earnings	17,402,000	14,549,000
Treasury stock	(2,974,000)	(2,970,000)

Total Liabilities & Shareholders' Equity	$ 21,067,000	$ 18,045,000

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation.
+ $0.125 par value.

Statistical Summary

%Income bef. Taxes to Revenues	17.16	17.40
%Net Income to Revenues	9.39	8.23
%Net Income to Equity	21.76	20.08
Sales to Inventories	5.96	6.01
Working Capital	$13,001,000	$11,308,000
Current Ratio	4.70	4.70
Shareholders' Equity	$16,322,000	$13,269,000

Technology Incorporated

1115 Talbott Tower
Dayton, Ohio 45402
(513) 224-9066

Officers: Maurice F. Krug, chairman of the board & president; Ronald T. Deger, exec. v.p.; T. Wayne Holt, corp. v.p. & president-Aerospace Group; Elizabeth Anglea-Krug, v.p. administration; T. Gerald Stafford, general manager, Life Sciences Division; J. Richard Swanson, v.p.-finance & treasurer; Evelyn B. Walker, tax manager/internal auditor; Gary J. Welch, Corporate Accountant.

Directors: Maurice F. Krug*, John W. Berry*, Jack G. Merrell, James J. Mulligan*, Marvin E. Bruce, Victor J. Cassano, Sr., William J. Hoben, Leo W. Ladehoff.

* Members of Executive Committee.

Divisions and Subsidiaries:

Life Sciences Division
P.O. Box 58827
Houston, Texas 77258
(713) 488-5970

Biomedical research and development in the life science, particularly physiology, vision and biochemistry; medical systems research, quality control of production chemicals, development and marketing of freeze-dried foods.

Instruments and Controls Division
P.O. Box 3036, Overlook Branch
Dayton, Ohio 45431
(513) 426-2405

Interdisciplinary research and development in flight dynamics aeropropulsion, gas dynamics, solid rocket technology, bioastronautics, nuclear effects, avionics, bioengineering, optics, and instrumentation data acquisition, reduction and analysis, electronic systems design and fabrication. Design, manufacture and marketing of scientific instruments for biomedical research, mass flow measurement of gases, and environmental measurement and control. Manufacture of electric annunciators, alarm systems, sequential event recorders and special purpose control equipment for industrial and public utility power plants and other process controls.

Dempster Systems Inc.
P.O. Box 3127
Knoxville, Tennessee 37917
(615) 637-3711

Manufactures solid waste handling equipment.

Technology/Scientific Services, Inc.
P.O. Box 3065
Overlook Branch
Dayton, Ohio 45431
(513) 426-2405

Transfer Agent(s):

Bank One, Dayton, N.A.
Kettering Tower
Dayton, Ohio 45401

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TNLG (NASDAQ)

Number of Employees:

1984	1,789	1981	707
1983	676	1980	357
1982	743		

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 50,745,000	$ 806,387
1983	42,985,000	511,696
1982	46,832,000	770,782
1981	29,331,000	145,859
1980	23,499,000	432,222

	No. of Com. Shares +	Earn. per Share #‡
1984	3,145,922	$ 0.25
1983	3,120,822	0.16
1982	3,123,846	0.25
1981	3,113,846	0.05
1980	3,255,536	0.13

‡ Including extraordinary gain of $324,000 ($0.10 per share) in 1984.
+ Adjusted to reflect stock splits.
# Based on the average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Aerospace products	$ 16,205,628	$ 15,640,822
Industrial products	34,539,078	27,343,686
Total	$ 50,744,706	$ 42,984,508

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.02	—	2-for-1
1983	0.016	—	5-for-4
1982	0.01	—	2-for-1
1981	0.01	—	—
1980	0.01	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 7,104,297	$ 2.26
1983	6,328,120	2.03
1982	5,839,261	1.87
1981	5,087,868	1.63
1980	5,109,380	1.57

+ Adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Revenues	$ 50,744,706	$ 42,984,508
Cost of sales	43,621,287	35,375,969
Expenses	5,828,179	4,683,740
Depreciation	887,750	903,610
Interest expense	1,460,880	1,362,040
Other income	(1,355,777)	(211,728)
Income before taxes	$ 302,387	$ 870,877
Income taxes (credit)	(180,000)	359,800
Income before minority interest	$ 482,387	$ 511,077
Minority interest	—	619
Net Income	$ 482,387	$ 511,696
Extraord. gain	324,000	—
Net Income & extraord. gain	$ 806,387	$ 511,696

Assets

As of June 30	1984	1983
Cash	$ 682,510	$ 569,956
Accts. receiv., net	11,815,284	7,746,803
Refundable inc. taxes	—	332,831
*Inventories	9,237,700	11,332,086
Prepaid expenses	118,044	74,668
Current Assets	$ 21,853,538	$ 20,056,344
#Fixed assets	4,114,195	6,040,066
Other assets	5,291,120	391,815
Total Assets	$ 31,258,853	$ 26,488,225

Liabilities

Notes payable	$ 3,000,000	$ 1,750,000
Long-term debt, curr.	340,070	1,229,306
Accts. payable	4,289,425	1,876,141
Accruals	2,612,634	2,211,646
Income taxes	154,002	—
Deferred income taxes	1,196,548	1,368,715
Curr. Liabilities	$ 11,592,679	$ 8,435,808
Long-term debt	9,420,237	6,760,276
Subordinated long-term debt	600,000	4,527,612
Deferred inc. taxes	101,559	360,710
Minority interest	—	75,699
+ Common stock	1,646,742	1,614,295
Retained earnings	5,457,555	4,713,825
Total Liabilities & Shareholders' Equity	$ 31,258,853	$ 26,488,225

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Revenues	0.60	2.03
%Net Income to Revenues	0.95	1.19
%Net Income to Equity	6.79	8.09
Working Capital	$10,260,859	$11,620,536
Current Ratio	1.89	2.38
Shareholders' Equity	$ 7,104,297	$ 6,328,120

Tech/Ops, Inc.

(formerly Technical Operations, Incorporated)

One Beacon Street
Boston, Massachusetts 02108
(617) 523-2030

Officers: Marvin G. Schorr, chairman of the board & president; Paul B. Rosenberg, vice president-finance and administration and treasurer; Stanley R. Hyle, asst. secretary & asst. to president; Robert P. Moncreiff, secretary and counsel.

Directors: Marvin G. Schorr*, chairman; Eric T. Clarke, Harold C. Mayer, Jr., Herbert Roth, Jr.*, C. Vincent Vappi*, Milton C. Lauenstein.

* Member of the Executive Committee.

Areas of Work: Manufactures radiographic equipment, and operates a personnel radiation detection and monitoring service. Develops, manufactures and markets control systems for electric fork lift trucks and other battery powered vehicles.

Divisions and Subsidiaries:

Nuclear Products and Services Group
Boston, Massachusetts

R.S. Landauer, Jr. & Company
Glenwood, Illinois

Radiation Products Division
Burlington, Massachusetts

Radiation Products Division UK
Washington, England

Nagase-Landauer, Ltd. (50%)
Tokyo, Japan

Controller Group

Tech/Ops Limited
Gateshead, England

Sevcon, Limited
Gateshead, England

Tech/Ops, S.A.
Paris, France

Sevcon USA
Burlington, Massachusetts

Transfer Agent(s):

The Bank of Boston
Boston, Massachusetts 02101

Stock Exchange(s): American

Ticker Symbol: TO

Number of Employees:

1984	450	1983	400

Plant Footage:

1984	130,000 sq. ft.	1983	134,000

Sales and Earnings

	Net Sales +	Net Income ‡
1984	$ 28,105,000	$ 3,045,000
1983	25,367,000	3,694,000
1982	27,717,000	1,700,000
1981	28,232,000	2,311,000
1980	30,020,000	1,868,000

	No. of Com. Shares	Earn. per Share #‡
1984	884,994	$ 3.57
1983	922,244	4.36
1982	812,394	1.77
1981	1,034,035	2.18
1980	1,023,044	1.57

+ Includes contract revenues; of continuing operations only.
‡ Including extraordinary gain of $1,692,000 ($2.00 per share) in 1983.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Technology	$ 23,918	$ 21,112
Broadcasting	4,187	4,255
Total	$ 28,105	$ 25,367

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 15,793,000	$ 17.85
1983	14,265,000	15.47
1982	10,357,000	12.75
1981	12,760,000	12.34
1980	10,324,000	10.09

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 28,105,000	$ 25,367,000
Cost of sales	11,713,000	10,860,000
Expenses	12,095,000	10,953,000
Interest expense	392,000	471,000
Other income	(606,000)	(429,000)
Income before taxes	$ 4,511,000	$ 3,512,000
Income taxes	1,555,000	1,592,000
Eq. in income of subsid.	(89,000)	(82,000)
Net Income	$ 3,045,000	$ 2,002,000
Extraord. gain	—	1,692,000
Net Income & extraord. gain	$ 3,045,000	$ 3,694,000

* Included in Costs and Expenses, Depreciation and Amortization: $986,000 in 1984 and $702,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash & cash equiv.	$ 5,068,000	$ 5,331,000
Receiv., net	6,343,000	5,581,000
*Inventories	2,740,000	2,469,000
Prepaid expenses	462,000	638,000
Current Assets	$ 14,613,000	$ 14,019,000
#Fixed assets	4,058,000	3,666,000
Notes receivable	1,207,000	1,407,000
Other assets	1,361,000	1,159,000
Eq. in subsidiary	523,000	435,000
Intangibles	4,694,000	4,764,000
Total Assets	$ 26,456,000	$ 25,450,000

Liabilities

Long-term debt, curr.	$ 219,000	$ 420,000
Accts. payable	1,281,000	1,022,000
Accruals	2,413,000	2,489,000
Accrued inc. taxes	564,000	1,083,000
Deferred contract revenue	1,864,000	1,676,000
Curr. Liabilities	$ 6,341,000	$ 6,690,000
Long-term debt	3,477,000	3,806,000
Long-term liabilities	535,000	374,000
Deferred taxes	310,000	315,000
+ Common stock	885,000	922,000
Add. paid-in capital	5,076,000	5,152,000
Retained earnings	12,618,000	10,661,000
Foreign curr. trans.	(1,004,000)	(613,000)
Prepaid compensation	(1,782,000)	(1,857,000)
Total Liabilities & Shareholders' Equity	$ 26,456,000	$ 25,450,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 stated value.

Statistical Summary

%Income before Taxes to Sales	16.05	13.84
%Net Income to Sales	10.83	14.56
%Net Income to Equity	19.28	25.90
Sales to Inventories	10.26	10.27
Working Capital	$ 8,272,000	$ 7,329,000
Current Ratio	2.30	2.10
Shareholders' Equity	$15,793,000	$14,265,000

Tech-Sym Corporation

10500 Westoffice Drive
Houston, Texas 77042
(713) 785-7790

Officers: Wendell W. Gamel, chairman of the board & president; Henry H. Leigh, vice president; Robert E. Moore, v.p., secretary & general counsel; Ray F. Thompson, treasurer & controller; Coy J. Scribner, president-Metric Systems Corp.; Rollin J. Sloan, president-TRAK Microwave.

Directors: Keith R. Beeman, Wendel W. Gamel, Henry H. Leigh, Robert E. Moore, Walter B. Putnam, Joal A. Teresko, Charles C. Webb, Coy J. Scribner, Rollin J. Sloan, Christopher C. Kraft, Jr.

Divisions and Subsidiaries:

TRAK Microwave Corporation
4726 Eisenhower Boulevard
Tampa, Florida 33614
(813) 884-1411

Manufacturer of microwave integrated circuits (video, intermediate frequency and microwave amplifiers, very stable oscillators, microwave transmitters) and microwave ferrite isolators and circulators; microwave energy sources, automatic weighing and measuring systems, a major portion of a laser tracking level, timing equipment and systems and specialty computer components and systems.

Metric Systems Corporation
645 Anchors Street
Fort Walton Beach, Florida 32548
(904) 244-9600

Produces military electronics, industrial and commercial data interface, monitoring and data processing. Military electronic products include timing terminals, the IRIG Time Reader, real time interface systems, meteorological data processing systems, and other computer oriented systems. Produces monitoring and controls products and systems for paper mill boiler operations, paper production and electric power companies. Has developed a microprocessor, a small scale digital computer designed around a central integrated circuit. The Aeromechanics Division of Metric Systems Corporation is a supplier of materials and equipment for the domestic military transportation market; products include aerial delivery equipment.

All Woods/Schroeder, Inc.
5401 Lawndale Avenue
Houston, Texas 77262
(713) 921-6131

Importer and wholesaler of hardwood mouldings serving the central and southwestern United States. Offers a full line of mouldings for home builders and custom parts for furniture and kitchen cabinet manufacturers. Imports and wholesales air-dried and kiln-dried furniture squares and dimension stock for furniture manufacturers. Offers other importers custom kiln drying and milling services.

Enterprise Electronics Corporation
Industrial Parkway
P.O. Box 1216

Enterprise, Alabama 36331
(205) 347-3478

World-wide supplier of radar systems for meteorology. The system detect, analyze and display information on weather patterns.

Tecom Industries, Inc.
9324 Topanga Canyon
Chatsworth, California 91311
(213) 341-4010

Manufactures antennas for surveillance, communications, electronic warfare, missiles, and telemetry. Other products include positioners and controllers.

Transfer Agent(s):

First City National Bank of Houston
Stock Transfer Section
P.O. Box 809
Houston, Texas 77001

The Chase Manhattan Bank, N.A.
Shareholder Services
1 New York Plaza, 14th Floor
New York, New York 10081

Stock Exchange(s): American

Ticker Symbol: TSY

Number of Employees:

1984	N.A.	1982	864
1983	N.A.		

Plant Footage:

1984	N.A.	1982	532,000 sq. ft.
1983	N.A.		

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 87,608,000	$ 7,876,000
1983	71,742,000	6,805,000
1982	64,681,000	4,570,000
1981	46,040,000	1,742,000
1980	41,337,000	1,194,000

	No. of Com. Shares	Earn. per Share
1984	6,682,245	$ 1.19
1983	6,619,818	1.08
1982	6,137,653	0.80
1981	5,272,278	0.33
1980	5,168,634	0.23

Revenues By Line of Business

	1984	1983
Electronics	$ 63,451,000	$ 50,061,000
Aeromechanics	7,624,000	6,287,000

Building materials	16,023,000	14,616,000
Real estate	510,000	778,000
Total	$ 71,742,000	$ 71,742,000

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 56,496,000	$ 8.45
1983	47,750,000	7.21
1982	31,687,000	5.16
1981	19,972,000	3.79
1980	17,717,000	3.43

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 87,608,485	$ 71,742,071
Cost of sales	58,410,240	46,739,572
Expenses	15,845,004	12,884,387
Prod. develop. costs	543,394	448,230
Interest expense	1,284,680	732,494
Other income	(2,060,656)	(1,333,440)
Income bef. taxes	$ 13,585,823	$ 12,270,828
Income taxes	5,710,000	5,466,000
Net Income	$ 7,875,823	$ 6,804,828

* Included in Costs and Expenses, Depreciation, Depletion and Amortization: $2,178,517 in 1984 and $1,465,984 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 1,703,961	$ 1,459,163
Marketable securities	14,397,216	16,551,967
Receiv., net	12,640,755	11,758,984
Unbilled revenue	18,585,590	9,485,850
*Inventories	11,347,759	7,855,181
Other curr. assets	277,281	121,614
Current Assets	$ 58,952,562	$ 47,232,759
Other assets	3,228,371	1,297,341
Long-term receivables	1,218,538	1,770,385
#Fixed assets	19,779,564	12,699,696
Prop. held for resale	1,016,589	1,078,624
Total Assets	$ 84,195,624	$ 64,078,805

Liabilities

Long-term debt, curr.	$ 7,293,838	$ 1,757,390
Accts. payable	3,815,778	2,953,779
Accruals	5,595,135	3,956,414
Income taxes	279,003	790,256
Current Liabilities	$ 16,983,754	$ 9,457,839
Long-term debt	8,935,873	5,743,203
Deferred commissions & other liabilities	1,780,343	1,127,758
+ Common stock	685,052	683,166
Add. paid-in capital	31,800,661	30,959,888
Retained earnings	24,114,879	16,239,056
Treasury stock	(104,938)	(132,105)
Total Liabilities & Shareholders' Equity	$ 84,195,624	$ 64,078,805

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and depletion.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	15.51	17.10
%Net Income to Sales	8.99	9.49
%Net Income to Equity	13.94	14.25
Sales to Inventories	7.72	9.13
Working Capital	$41,968,808	$37,774,920
Current Ratio	3.47	4.99
Shareholders' Equity	$56,495,654	$47,750,005

Techtran Industries, Inc.

200 Commerce Drive
Rochester, New York 14623
(716) 271-7953

Officers: David L. Decker, president; Gilbert L. Budd, exec. v.p. & treasurer; Stanley R. Kneppar, v.p.-operations & secretary; Robert L. Wagner, president-A.D. Data Systems; N. Richard Pyes, v.p.-marketing.

Directors: David L. Decker, Gilbert L. Budd Stanley R. Kneppar, Francis H. Trombly, Jr., N. Richard Pyes, Robert L. Wagner.

Areas of Work: Manufactures digital cassette and disc recording equipment, datalogging and electronic switching systems and telephone recorders.

Subsidiaries:

A.D. Data Systems, Inc.
Designs and manufactures datalogging and site monitoring systems.

Transfer Agent(s):

Chase Lincoln First
P.O. Box 1250
Rochester, New York 14603

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	104	1982	110
1983	112		

Plant Footage:

1984	26,800 sq. ft.	1982	24,000
1983	19,000		

Sales and Earnings

	Net Sales	Net Income +
1984	$ 5,395,528	$ (742,481)
1983	7,006,367	297,052
1982	4,732,965	(687,523)
1981	4,596,599	(201,123)
1980	6,204,964	258,100

	No. of Com. Shares	Earn. per Share ‡ +
1984	841,301	$ —
1983	794,622	0.37
1982	783,957	—
1981	771,957	—
1980	762,065	0.57

(Loss)
+ Including extraordinary gain of $109,301 ($0.13 per share) in 1983.
‡ Based on the weighted average number of shares of common stock and common stock equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,126,904	$ 2.53
1983	2,599,642	3.27
1982	2,244,731	2.86
1981	2,902,254	3.76
1980	3,070,688	4.03

Income Account *

Year ended Aug. 31	1984	1983
Net revenues	$ 5,395,528	$ 7,006,367
Other income	80,451	47,872
Total Income	$ 5,475,979	$ 7,054,239
Cost of sales & serv.	2,842,734	3,619,414
Expenses	2,455,109	2,243,395
Research & devel.	625,467	587,476
Interest expense	238,466	224,447
Profit sharing	70,000	75,000
Income (loss) before taxes	$ (755,797)	$ 304,507
Income taxes (credit)	(13,316)	116,756
Net Income (Loss)	$ (742,481)	$ 187,751
Extraordinary gain	—	109,301
Net Income (Loss) & extraordinary gain	$ (742,481)	$ 297,052

* Included in Costs and Expenses, Depreciation and Amortization: $133,851 in 1984 and $167,127 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 107,927	$ 112,140
Short-term invest.	548,280	348,203
Accts. receiv., net	1,396,399	1,603,018
*Inventories	2,260,349	2,419,566
Prepaid expenses	65,239	22,944
Current Assets	$ 4,378,194	$ 4,505,871
#Fixed assets	738,055	825,848
Other assets	—	33,480
Total Assets	$ 5,116,249	$ 5,365,199

Liabilities

Long-term debt, curr.	$ 16,541	$ 30,459
Accts. payable	313,783	677,090
Accruals	298,646	309,887
Accrued payroll	89,892	79,134
Accrued inc. taxes	1,290	7,097
Curr. Liabilities	$ 720,152	$ 1,103,667
Long-term debt	2,269,193	1,661,890
+ Common stock	8,412	7,946
Add paid-in capital	2,834,823	2,565,546
Retained earnings (deficit)	(716,331)	26,150
Total Liabilities & Shareholders' Equity	$ 5,116,249	$ 5,365,199

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	4.35
%Net Income to Sales	—	2.68
%Net Income to Equity	—	7.22
Working Capital	$3,658,042	$3,402,204
Current Ratio	6.08	4.08
Shareholders' Equity	$2,126,904	$2,599,642

Tektronix, Inc.

4900 S.W. Griffith Drive
Beaverton, Oregon 97077
(503) 627-7111

Officers: Earl Wantland, president & chief exec. officers; William B. Velsink, exec. v.p.; Larry N. Choruby, John L. Landis, sr. v.p.'s; Kevin T. Considine, Francis Doyle, David P. Friedley, Charles H. Frost, Frederick L. Hanson, Stanley F. Kouba, Tom Long, Howard W. Mikesell, William J. Polits, Jon S. Reed, Phillip J. Robinson, v.p.'s; R. Allen Leedy, Jr., v.p., secretary & gen. counsel, Kenneth H. Knox, treasurer; Bill J. Robinson, controller; N. Eric Jorgensen, asst. secretary; Barbara J. Block, Fletcher C. Chamberlin, asst. treasurers.

Directors: John D. Gray, chairman; Howard Vollum, vice chairman; James B. Castles, Louis B. Perry, Earl Wantland, Frank M. Warren, William D. Walker, Paul Bragdon, F. Paul Carlson, Leonard Laster, Donald O. Pederson.

Areas of Work: Designs, manufactures and markets a wide variety of electronic equipment for design, service and manufacturing. These include laboratory and portable oscilloscopes, instrument systems, accessories, logic analyzers, LSI and VSLI semiconductor testers, microprocessor development systems, television test and production equipment, fiber optic and coaxial reflectometers, and network testers. Also manufactures smart and intelligent graphic computer workstations, inkjet and dry silver hardcopy devices, graphic input products, graphic display products and electronic design software.

Subsidiaries:

V-R Information Systems, Inc.
Austin, Texas

G.V.G. International Ltd.
Winchester, United Kingdom

Tektronix Europe B.V.
Amstelveen, The Netherlands

Tektronix Australia Pty. Ltd.
Sydney, Melbourne, Brisbane, Canberra, Adelaide & Perth, Australia

Tektronix Ges. mbH
Vienna, Austria

Tektronix S.A.
Brussels, Belgium

Tektronix Canada Ltd.
Barrie & Ontario, Canada

Tektronix A/S
Copenhagen, Denmark

Tektronix France
Paris, France

Tektronix GmbH
Cologne, West Germany

Tektronix Holland N.V.
Badhoevedorp, The Netherlands

Sony/Tektronix Corporation (50% owned)
Tokyo, Japan

Tektronix AB
Stockholm & Gothenburg, Sweden

Tektronix International AG
Zug & Geneva, Switzerland

Tektronix U.K. Ltd.
Harpenden, Hertfoldshire
England

Tektronix U.K. Ltd.
Dublin, Ireland

The Grass Valley Group, Inc.
Grass Valley, California

Dubner Computer Systems, Inc.
Fort Lee, New Jersey

Tektronix Norge A/S
Oslo, Norway

Tektronix Oy
Helsinki, Finland

Tektronix-Industria e Commercio Ltda.
Rio de Janeiro & Sao Paulo, Brazil

Tektronix Guernsey Limited
Channel Island of Guernsey

Tektronix Sa. de C.V. (49% owned)
Mexico City, Mexico

Tektronix International A.G.
Zug, Geneva, Switzerland

Tektronix S.P.A.
Milan, Rome and Turin, Italy

Tektronix Espanola S.A.
Madrid & Barcelona, Spain

Transfer Agent(s):

Morgan Guaranty Trust Company
New York, New York

Stock Exchange(s): New York, Pacific

Ticker Symbol: TEK

Number of Employees:

1984	20,693	1981	24,028
1983	21,078	1980	23,890
1982	23,231		

Plant Footage:

1984	7,719,000 sq. ft.	1981	7,300,000
1983	7,785,000	1980	5,921,000
1982	7,700,000		

Sales and Earnings

	Net Sales	Net Income
1984	$1,331,309,000	$ 117,970,000
1983	1,191,380,000	48,714,000
1982	1,195,748,000	79,453,000
1981	1,061,834,000	80,167,000
1980	971,306,000	85,072,000

	No. of Com. Shares	Earn. per Share #
1984	19,276,000	$ 6.15
1983	19,059,000	2.57
1982	18,807,000	4.25
1981	18,574,000	4.34
1980	18,372,000	4.66

Based on the average number of shares outstanding.

Revenue By Line of Business

	1984 (000's)	%	1983 (000's)	%
Instrument Prods.	$ 564,220	42.4%	$ 526,681	44.2%
Design Automations & info. display prods.	527,293	39.6	455,336	38.2
Communications prods.	239,796	18.0	209,363	17.6
Total	$1,331,309	100.0%	$1,191,380	100.0%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.00	—	—
1983	1.00	—	—
1982	0.98	—	—
1981	0.90	—	—
1980	0.79	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 771,335,000	$ 40.02
1983	661,695,000	34.72
1982	630,449,000	33.52
1981	557,544,000	30.02
1980	483,338,000	26.46

Income Account *

Year ended	5/26/84	5/28/83
Net sales	$ 1,331,309	$ 1,191,380
Cost of sales	672,053	615,941
Expenses	522,568	460,984
Interest expense	25,514	25,832
Other expense (income)	(746)	25,509
Income before taxes	$ 111,920	$ 63,114
Income taxes (credit)	(6,050)	14,400
Net Income	$ 117,970	$ 48,714

* Included in Costs and Expenses, Depreciation: $74,537,000 in 1984 and $66,710,000 in 1983.

Assets
(000's)

As of	5/26/84	5/28/83
Cash	$ 164,297	$ 96,867
Accts. receiv.	279,620	210,843
*Inventories	258,513	292,885
Prepaid expenses	35,912	39,085
Current Assets	$ 738,342	$ 639,680
Investments & other assets	61,356	50,444
#Fixed assets	407,760	397,290
Total Assets	$ 1,207,458	$ 1,087,414

Liabilities
(000's)

Notes payable	$ 28,500	$ 33,675
Accts. payable	92,549	78,569
Accrued compensation	84,710	69,904
Income taxes	11,046	15,280
Curr. Liabilities	$ 216,805	$ 197,428
Long-term debt	169,618	152,342
Other liabilities	28,652	32,258
Deferred inc. taxes	21,048	43,691
+ Common stock	92,484	78,097
Reinvested earnings	694,766	595,957
Currency trans. adj.	(15,915)	(12,359)
Total Liabilities & Shareholders' Equity	$ 1,207,458	$ 1,087,414

* At lower of cost of market. (U.S. inventory at LIFO; Foreign at FIFO).
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	8.41	5.30
%Net Income to Sales	8.86	4.09
%Net Income to Equity	15.29	7.36
Sales to Inventories	5.15	4.07
Working Capital	$521,537,000	$442,252,000
Current Ratio	3.41	3.24
Shareholders' Equity	$771,335,000	$661,695,000

Teledyne, Inc.

1901 Avenue of the Stars
Los Angeles, California 90067
(213) 277-3311

Officers: Henry E. Singleton, chief executive officer & chairman of the board; George A. Roberts, president; Frederick A. Kaufman, Leo W. Killen, G. Williams Rutherford, W.W. Sick, Jr., Allen H. Orbuch, Jerrold V. Jerome, vice presidents, Charles E. Rinsch, vice president, treasurer & secretary.

Directors: Henry E. Singleton, chairman, George Kozmetsky, George A. Roberts, Arthur Rock, Claude E. Shannon, William W. Shannon.

Areas of Work: Involved in four major areas of work: Aviation & Electronics; Machines & Metals; Engines, Energy & Power; and Commercial & Consumer. The Aviation & Electronic group is involved in the construction of aircraft engines, instrumentation, semiconductors and systems. The Machines and Metals group manufactures threading tools, bending machines welding positioners and other related products. The Engines, Energy & Power group manufactures liquid and air-cooled engines, seismic exploration, surveying, oil and gas production equipment, offshore drilling platforms, instrumentation for radioisotope measurement, thermoelectric generators, transformer cables, electrical connectors, rotary and solid state power systems, and analytical instruments. The Commercial and Consumer group manufactures high fidelity loudspeaker systems, swimming pool heaters, "Water Pik", dental products and instruments, drafting instruments, plastic bottles, rubber parts and plastic products.

Divisions and Subsidiaries:

Aviation and Electronics

Teledyne Aerospace Systems
1007 E. 10th Street
Fairmont, Minnesota 56031

Designs and produces high quality multi-conductor electrical cable assemblies and wiring harnesses.

Teledyne, Inc.

Teledyne Avionics
Charlottesville-Albemarle Airport
Charlottesville, Virginia 22906

Produces angle of attack instrumentation, pneumatic instrumentation such as the IVSI (Inertial-lead Vertical Speed Indicator), and audiometers used to screen children for hearing disabilities.

Teledyne Brown Engineering
Cummings Research Park
Huntsville, Alabama 35807

Manufactures missile components and subsystems and targets and drones for the military.

Teledyne CAE
1330 W. Laskey Road
Toledo, Ohio 43612

Designs, develops and manufactures gas turbine engines.

Teledyne Camera Systems
131 North Fifth Avenue
Arcadia, California 91006

Manufactures photographic instrumentation, photo-optical systems and components including specialized airborne cameras, underwater photographic equipment and infrared detection systems.

Teledyne Continental Motors Aircraft Products
Brookley & Industrial Complex
Mobile, Alabama 36615

Produces aircraft piston engines.

Teledyne Controls
12333 W. Olympic Boulevard
Los Angeles, California 90064

Produces a wide variety of electronic equipment for commercial military and other applications, including airborne electronic equipment utilizing automatic digital communication.

Teledyne Crystalonics
147 Sherman Street
Cambridge, Massachusetts 02140

Manufactures high reliability semiconductors and specializes in the redevelopment of silicon transistor, tuning and current regulator diodes and hybrid microcircuits.

Teledyne Electro-Mechanisms
110 Lowell Road
Hudson, New Hampshire 03051

Produces flexible etched circuitry used in high reliability aerospace and electronic applications where space and weight requirements must be kept to a minimum.

Teledyne Electronics
649 Lawrence Drive
Newbury Park, California 91320

Designs, develops and manufactures airborne and ground based identification systems and test equipment (Identification Friend or FOE/Air Traffic Control). Also produces telemetry transmitters, multiplexers and signal conditioning equipment.

Teledyne Battery Products
840 West Brockton
Redlands, California 92374

Designs and manufactures dry charged lead acid batteries for military trucks, aircraft, standby power, and other specialty applications.

Teledyne Hastings-Raydist
804 Newcombe Avenue
Hampton, Virginia 23661

Provides products and services for navigational purposes such as precise radio location and positioning in inland and coastal waterways.

Teledyne Kinetics
410 South Cedros Avenue
Solana Beach, California 92075

Designs and manufactures proprietary electro-mechanical products including motor driven switches for use on missiles and space vehicles and printed circuit connectors.

Teledyne Lewisburg
Industrial Park
Lewisburg, Tennessee 37091

Manufactures high reliability electronic and electromechanical equipment for defense, space and industrial applications including UHF radio communications systems, fixed station transceivers, process control equipment for nuclear energy plant safety systems and data acquisition equipment for wind tunnel operation and control.

Teledyne McCormick Selph
3601 Union Road
Hollister, California 95023

Produces ordnance devices and specialty chemicals.

Teledyne MEC
3165 Porter Drive
Palo Alto, California 94304

Manufactures microwave devices for use in electronic countermeasures.

Teledyne Microelectronics
12964 Panama Street
Los Angeles, California 90066

Manufactures custom, high-reliability hybrid microcircuits.

Teledyne Micronetics
7155 Mission Gorge Road
San Diego, California 92120

Provides a wide range of radar services to military and aerospace companies. Manufactures passive radar augmenters.

Teledyne Microwave
1290 Terra Bella Avenue
Mountain View, California 94043

Designs and manufactures passive and active microwave devices and subsystems including filters, multiplexers and integrated sub-assemblies; ferrite components including circulators and isolators; coaxial, SPDT, transfer and multithrow switches and voltage controlled oscillator systems.

Teledyne Neosho
Doniphan Drive
Neosho, Missouri 64850

Precision gears for jet, tubine, and reciprocating engines.

Teledyne Philbrick
Allied Drive at Route 128
Dedham, Massachusetts 02026

Manufactures hybrid and modular electronic components including data converters, linear circuit components, nonlinear components and power supplies.

Teledyne Relays
12525 Daphne Avenue
Hawthorne, California 90250

Manufactures hermetically sealed eletromechanical relays and solid state relays for electronic applications.

Teledyne Ryan Aeronautical
2701 Harbor Drive
San Diego, California 92138

Designs and develops remotely piloted supersonic airborne vehicles, Doppler velocity sensors, radar and infrared altimeters, microwave and electronically scannable antennas and space landing radars.

Teledyne Ryan Electronics
8650 Balboa Avenue
San Diego, California 92123

Designs and manufactures high technology radar related navigation and avionic systems.

Teledyne Semiconductor
1300 Terra Bella Avenue
Mountain View, California 94043

Manufactures semiconductor components and integrated circuits.

Teledyne Systems
19601 Nordhoff Street
Northridge, California 91324

Engaged in the manufacture of airborne and spaceborne computers, inertial and radio frequency navigation systems, custom test and ground support systems. Sales are principally to government and defense.

Teledyne Thermatics
P.O. Box 909
Elm City, North Carolina 27822

Full service wire and cable company.

Transfer Agent(s):

Bank of America N.T. & S.A.
Corporate Agency Service Center
P.O. Box 37002
San Francisco, California 94137

Stock Exchange(s): New York, Pacific

Ticker Symbol: TDY

Number of Employees:

1984 45,000 1983 50,000

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 3,494,300	$ 574,300
1983	2,979,000	304,600
1982	2,863,800	269,600
1981	3,237,600	421,900
1980	2,926,419	352,400

	No. of Com. Shares ‡	Earn. per Share ‡
1984	15,235,393	$ 37.69
1983	20,479,764	14.87
1982	20,657,531	13.05
1981	20,657,531	20.43
1980	22,564,756	15.62

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Industrial	$ 994,400	$ 991,300
Aviation & electronics	1,486,400	1,103,100
Specialty metals	730,700	605,800
Consumer & other	282,800	278,800
Total	$ 3,494,300	$ 2,979,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	—
1980	—	—	5-for-4 & 3-for-2

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$1,159,300,000	$ 76.09
1983	2,641,200,000	128.97
1982	2,111,100,000	102.20
1981	1,723,200,000	83.42
1980	1,410,200,000	62.50

# Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,494,300	$ 2,979,000
Cost of sales	2,762,100	2,292,300
Expenses	431,500	400,900
Interest expense	40,100	29,700
Interest income	(63,400)	(78,100)
Loss (gain) on sale of secur.	(25,400)	1,000
Income before taxes	$ 349,400	$ 333,200
Income taxes	88,700	138,200
Eq. in inc. of unconsol. subsid.	(313,600)	(109,600)
Net Income	$ 574,300	$ 304,600

* Included in Costs and Expenses, Depreciation and Amortization: $106,600,000 in 1984 and $102,200,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & market. secur.	198,000	807,600
Receiv., net	$ 427,800	$ 372,200
*Inventories	136,700	167,700
Prepaid expenses	10,700	7,300
Current Assets	$ 773,200	$ 1,354,800
Investments	1,647,100	2,097,200
#Fixed assets	338,600	366,900
Other assets	31,800	33,300
Total Assets	$ 2,790,700	$ 3,852,200

Liabilities
(000's)

	1984	1983
Long-term debt, curr	$ 2,000	$ 2,000
Accts. payable	135,700	150,800
Accruals	214,000	201,200
Income taxes	9,800	39,500
Curr. Liabilities	$ 361,500	$ 393,500
Long-term debt	1,070,700	570,000
Def. income taxes	155,600	206,500
Other liabilities	43,600	41,000
+ Common stock	11,700	20,400
Add. paid-in capital	83,200	144,800
Retained earnings	880,500	1,975,300
Equity in unrealized apprec. in marketable sec. of uncons. subs.	187,800	502,900
Treasury stock	(3,900)	(2,200)
Total Liabilities & Shareholders' Equity	$ 2,790,700	$ 3,852,200

* At lower of cost (FIFO and LIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	10.00	11.18
%Net Income to Sales	16.44	10.22
%Net Income to Equity	49.54	11.53
Sales to Inventories	25.56	17.76
Working Capital	$ 411,700,000	$ 961,300,000
Current Ratio	2.14	3.44
Shareholders' Equity	$1,159,300,000	$2,641,200,000

Teleflex Incorporated

155 South Limerick Road
Limerick, Pennsylvania 19468
(215) 948-5100

Officers: L.K. Black, chairman & chief executive officer; John H. Remer, sr. v.p.-administration; John J. Sickler, sr. v.p. & chief financial officer; Ira Albom, v.p. & chief operating officer-Aerospace; David S. Boyer, v.p. & gen. mgr.-Automotive; Thomas A. Coneys, president & chief operating officer-Medical Group; Roy C. Carriker, president and chief operating officer- Sermatech; David R. Loveless, pres. & chief operating officer-Commercial Products Group; Claude Jacquemin, dir.-int'l marketing services; August E. Tschanz, v.p. & gen mgr.-Development & Training Center; James D. Wilson, dir.-human resources; Harold L. Zuber, Jr., controller; John F. Schoenfelder, secretary & treasurer; Steven K. Chance, dir.-legal services.

Directors: John H. Remer, Harry T. Devine, L.K. Black, John J. Sickler, Lewis E. Hatch, Jr., Pemberton Hutchinson, Robert K. Farrington, Palmer E. Retzlaff, Donald Beckman, Lewis W. Bluemle, Jr.

Areas of Work: Specialized mechanical, electromechanical, and hydraulic control systems including steering, engine controls, and cable linkages for aircraft, space vehicles, commercial ships and vehicular industries. Measurement and control systems for nuclear and chemical reactors, industrial processes, and other hostile atmospheres. Custom designed mechanical wire and cable controls including accelerators and cruise controls, hood releases, transmission and shift controls, disappearing tailgate window regulator system, heater, vent, and air conditioning controls, brake release controls, seat-back latches, and sunroof helical cable assemblies for automotive and motor truck industries. Engine control systems, electrical instrumentation systems, cables, and wiring harnesses for buses, trucks, industrial and leisure vehicles. Mechanical steering systems, engine control systems and cables, electrical intrumentation systems and wiring harnesses for pleasure marine industry. SermeTel inorganic corrosion resistant coatings and processes, ceramic compounds, and composites for aerospace, electronic, and industrial markets. Highly engineered fluoroplastic products including smooth wall and convoluted tubing, sleeving, and conduit, shapes, profile, custom linings and lined products, braided hose, custom wire products, rod and beading, and heat shrinkables for aerospace, automotive, industrial, medical and electronic applications.

Operation & Subsidiaries:

Technical Products and Services:

Teleflex Aerospace
Church Road
North Wales, Pennsylvania 19454

Hoover Electric Company
2100 South Stoner Avenue
Los Angeles, California 90025
(231) 272-3125

Hutson Aerospace, Inc.
3500 South Cooper
Arlington, Texas 76015
(816) 467-4927

Teleflex Medical
Tall Pines Park
Jaffrey, New Hampshire 03452
(603) 523-7706

Aries Medical Inc.
Woburn, Massachusetts

Tact Inc.
Jaffrey, New Hampshire

TFX Medical
Limerick County, Ireland

Sermatech International,Inc.
International Headquarters and Processing Plant
155 South Limerick Road
Limerick, Pennsylvania 19468
(211) 948-5100

STS GmbH
Weilenburg-Strasse 49
5682 Heiligenhaus
West Germany

STS Mid-Atlantic
Limerick, Pennsylvania

STS New England
Windsor, Connecticut

STS Southwest
Sugarland, Texas

STS West
Compton, California

STS Canada
747 Riddle Avenue
Dorval, Quebec
Canada H9P 1H4

STS U.K.
High Holborn Road, Codnor
Ripley, Derbyshire
England DE5 3NW

CTI
Derbyshire, England

STS Southeast Gator-Guard, Inc.
Lantana, Florida

Airfoil Management Company
Compton, California

Heurchrome S.A.
176, Rue d'Esteinne-d'Orves
Colombes, France

Commercial Products:

Teleflex Automotive
2530 Industrial Row
Troy, Michigan 48084
(313) 280-0620

Capro, Inc.
300 South Cochran
Willis, Texas 77378

Teleflex Fluid Systems
Progress Industrial Park
506 Hayden Station Road
Windsor, Connecticut 06095

(203) 633-0745
Teleflex Marine/Industrial
640 North Lewis Road
Limerick, Pennsylvania 19468
(215) 495-7011

Merriman/Yacht Specialties, Inc.
301 Olive Street
Grand River, Ohio 44045
(216) 352-8988

Mechanical Division
Limerick, Pennsylvania

Electrical Division
Sarasota, Florida

Teleflex (Canada) Limited
1650 West Second Avenue
Vancouver, British Columbia
Canada V6J 1H4

Albert H. Suprenent, Inc.
Tall Pines Park
Jaffrey, New Hampshire 03452
(603) 523-7706

Transfer Agent(s):

The Chase Manhattan Bank, N.A.
1 Chase Manhattan Plaza
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: TFX

Number of Employees:

1984	2,000	1981	1,870
1983	1,940	1980	1,780
1982	1,750		

Sales and Earnings

	Net Sales	Net Income
1984	$ 153,310,700	$ 11,310,000
1983	129,341,000	9,501,000
1982	111,688,900	10,954,100
1981	103,220,400	7,106,300
1980	78,501,100	4,758,900

	No. of Com. Shares ‡	Earn. per Share ‡
1984	5,263,000	$ 2.15
1983	5,183,000	1.83
1982	4,706,000	2.33
1981	4,674,000	1.52
1980	4,546,000	1.05

‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983	1982	1981
Commercial products	63%	55%	46%	48%

Technical products & services	37	45	54	52
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.41	—	—
1983	0.37	—	—
1982	0.31	—	—
1981	0.25	—	3-for-2
1980	0.17	—	2-for-1

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 72,619,600	$ 13.80
1983	63,562,600	12.26
1982	40,107,500	8.58
1981	30,265,000	6.52
1980	23,782,200	5.28

† Adjusted to reflect stock splits.

Income Account *

Year ended	12/30/84	12/25/83
Net sales	$ 153,310,700	$ 129,341,000
Cost of sales	106,687,200	88,593,100
Expenses	28,543,400	24,586,800
Interest expense	1,395,700	1,448,300
Other income	(2,425,600)	(1,388,300)
Income before taxes	$ 19,110,000	$ 16,101,100
Income taxes	7,800,000	6,600,000
Net Income	$ 11,310,000	$ 9,501,100

* Included in Costs and Expenses, Depreciation and Amortization: $3,831,500 in 1984 and $3,417,600 in 1983.

Assets

As of	12/30/84	12/25/83
Cash & short-term invest.	$ 21,468,600	$ 16,431,900
Accts. receiv., net	26,529,000	26,483,900
*Inventories	27,216,000	25,398,700
Prepaid expenses	590,900	535,400
Current Assets	$ 75,804,500	$ 68,849,900
#Fixed assets	32,033,900	28,654,900
Other assets	1,494,500	2,760,900
Total Assets	$ 109,332,900	$ 100,265,700

Liabilities

Accts. payable	$ 10,046,000	$ 10,547,300
Cap. lease oblig., curr.	1,960,600	1,479,700
Accruals	5,940,200	5,254,700
Income taxes	1,806,100	3,096,300
Curr. Liabilities	$ 19,752,900	$ 20,378,000
Long-term debt	14,112,400	14,127,100
Deferred inc. taxes	2,848,000	2,198,000
+ Common stock	5,213,900	5,192,100
Add. paid-in capital	18,040,500	17,801,400
Retained earnings	49,891,600	40,716,300
Foreign curr. trans. adj.	(526,400)	(147,200)
Total Liabilities & Shareholders' Equity	$ 109,332,900	$ 100,265,700

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.46	12.45
%Net Income to Sales	7.38	7.35
%Net Income to Equity	15.57	14.95
Sales to Inventories	5.63	5.09
Working Capital	$56,051,600	$48,471,900
Current Ratio	3.84	3.38
Shareholders' Equity	$72,619,000	$63,562,600

TeleSciences, Inc.

124 Gaither Drive
Mount Laurel, New Jersey 08054
(609) 866-1000

Officers: Fred Cohen, chairman of the board and president; Seymour Hernes, executive v.p., secretary & treasurer; George Daly, sr. v.p.-operations; Alexander S. Micko, v.p. & controller; Robert P. White, v.p.-engineering.

Directors: Fred Cohen, chairman; Seymour Hernes, Samuel W. Fleming, III, Craig J. Foley, Frank A. McDermott, Jr., Leopold P. Oberst.

Areas of Work: The company is a supplier of computer-based support systems for the telephone industry. The systems produced by the company fall into four primary catagories: Traffic Maintenence and Network Analysis, Billing Systems, Switch Modernization Systems, and Directory Assistance and Audio Response Systems.

Transfer Agent(s):

The Bank of New York
New York, New York

Stock Exchange(s): American

Ticker Symbol: TSC

Sales and Earnings

	Net Sales	Net Income †
1984	$ 64,858,140	$ 3,239,949
1983	52,280,230	(13,522,482)
1982	54,126,825	2,052,140
1981	35,259,653	(806,905)
1980	22,830,701	(1,686,441)

	No. of Com. Shares	Earn. per Share #†
1984	3,337,288	$ 0.96
1983	3,320,176	—
1982	3,286,311	0.61
1981	3,238,769	—
1980	3,188,006	—

( ) Loss

† Including extraordinary gain of $1,318,000 ($0.39 per share) in 1984.

Based on weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 11,748,428	$ 3.52
1983	8,354,185	2.52
1982	21,510,264	6.55
1981	18,867,820	5.83
1980	19,205,617	6.02

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 64,858,140	$ 52,280,230
Cost of sales	56,728,254	52,080,862
Shortfall income	(4,604,906)	(2,659,042)
Expenses	10,962,689	9,308,610
Other income	(1,294,901)	(174,953)
Income (loss) bef. taxes	$ 3,067,004	$ (6,275,247)
Income taxes (credit)	1,368,000	(399,753)
Inc. (loss)-cont. oper.	$ 1,699,004	$ (5,875,494)
Income (loss)-discont. oper.	222,945	(7,646,988)
Net Income (Loss)	$ 1,921,949	$ (13,522,482)
Extraord. gain	1,318,000	—
Net Income (Loss) & extraord. gain	$ 3,239,949	$ (13,522,482)

* Included in Costs and Expenses, Depreciation and Amortization: $4,497,927 in 1984 and $4,031,918 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 2,611,302	$ 1,338,384
Accts. receiv., net	19,638,792	18,072,631
*Inventories	23,984,028	27,868,797
Deferred charges	1,996,200	1,962,000
Prepaid expenses	656,641	726,724
Current Assets	$ 48,886,963	$ 49,968,536
#Fixed assets	10,692,208	11,411,334
Other assets	9,351,800	11,348,000
Total Assets	$ 68,930,971	$ 72,727,870

Liabilities

Notes payble	$ 3,950,000	$ —
Accts. payable	4,699,343	7,232,084
Accruals	4,547,100	6,960,501
Legal fees payable	1,875,000	1,875,000
Security deposit payable	5,232,000	4,320,000
Curr. Liabilities	$ 20,303,443	$ 20,387,585
Deferred inc. taxes	131,100	131,100
Legal fee	7,500,000	9,375,000
Security deposit	29,248,000	34,480,000
+ Common stock	334,229	332,518
Add. paid-in capital	8,652,903	8,500,320
Retained earnings (deficit)	2,872,972	(366,977)
Treasury stock	(111,676)	(111,676)
Total Liabilities & Shareholders' Equity	$ 68,930,971	$ 72,727,870

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	4.73	—
%Net Income to Sales	2.96	—
%Net Income to Equity	16.36	—
Sales to Inventories	2.70	1.88
Working Capital	$28,583,520	$29,580,951
Current Ratio	2.41	2.45
Shareholders' Equity	$11,748,428	$ 8,354,185

The Telex Corporation

P.O. Box 1526
6422 E. 41st Street
Tulsa, Oklahoma 74101
(918) 627-2333

Officers: S.J. Jatras, chairman of the board, president & chief executive officer; Ansel Kleiman, George L. Bragg, group vice presidents; J.B. Bailey, v.p., general counsel & secretary; E.G. Frank, v.p.-finance & treasurer; Serge Novovich, asst. secretary; David E. Gannon, asst. treasurer; Bhrent Waddell, controller; Jess Mitchell, director of internal auditing.

Directors: S.J. Jatras, chairman; Robert W. Allen, George Bragg, Frank E. Cochran, Richard H. Hughes, Ansel Kleiman, Leonard R. Silver, Howard Upton, John S. Zink.

Areas of Work: Designs, manufactures, markets and services a line of peripheral products used in data processing applications as well as electronic communications and audio equipment.

Divisions and Subsidiaries:

Telex Computer Products, Inc.
6422 E. 41st Street
Tulsa, Oklahoma 74135
(918) 627-1111

Terminal Communications Division
Raleigh, North Carolina
Computer terminals, both video displays and printers, and communication controllers.

International:
Le Bonaparte—Office 711
Centre Affaires Paris—
Nord
9315 Le Blanc—Mesnil,
France

OEM/Peripheral Division
Tulsa, Oklahoma
Tape drives and tape drive subsystems for both end user and OEM markets.

Telex Service Division
Tulsa, Oklahoma
Provides maintenance for customers of all Telex computer products.

International Division
Tulsa, Oklahoma
Markets TCP products throughout the world, except the United States and Canada.

Telex Communications, Inc.
9600 Aldrich Avenues
Bloomington, Minnesota 55420
(612) 884-4051
Products include tape recorders and players, subassemblies for automotive tape players, headphones and headsets, microphones, hearing aids, antennas, CB accessories and tape duplication equipment.

International:
Telex World Trade
115 Norwood Park South
Boston—Providence Turnpike/Route 1
Norwood, Massachusetts
02062

Hy-Gain Division
Lincoln, Nebraska

Education Systems Division
Rochester, New York

Acquisition(s):

Raytheon Data Systems Division

Transfer Agent(s):

First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Pacific

Ticker Symbol: TC

Number of Employees:

1985	6,580	1982	3,618
1984	4,193	1981	3,902
1983	3,929		

Sales and Earnings

	Revenues	Net Income +
1985	$ 601,599,000	$ 53,343,000
1984	325,432,000	36,114,000
1983	274,834,000	28,778,000
1982	207,715,000	11,835,000
1981	186,492,000	8,083,000

	No. of Com. Shares	Earn. per Share + #
1985	14,487,983	$ 3.65
1984	14,424,194	2.48
1983	14,407,596	2.05
1982	12,633,834	0.94
1981	12,628,334	0.64

Based on the weighted average number of common shares and common share equivalents outstanding.
+ Including extraordinary credit of $4,213,000 ($0.30 per share) in 1983.

Revenues By Line of Business

	1985	1984
Computer products	$ 520,330,000	$ 243,921,000
Communications	81,269,000	81,511,000
Total	$ 601,599,000	$ 325,432,000

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 194,514,000	$ 13.43
1984	147,208,000	10.21
1983	110,990,000	7.70
1982	61,165,000	4.84
1981	49,314,000	3.91

Income Account *
(000's)

Year ended March 31	1985	1984
Revenues	$ 601,599	$ 325,432
Cost of revenues	351,006	185,435
Expenses	111,154	60,055
Prov. for loss on inventories	15,778	7,292
Interest expense	16,500	4,738
Other charges	6,398	3,430
Income bef. taxes	$ 100,763	$ 64,482
Income taxes	47,420	28,368
Net Income	$ 53,343	$ 36,114

* Included in Cost and Expenses, Depreciation: $39,205,000 in 1985 and $13,673,000 in 1984.

Assets
(000's)

As of March 31	1985	1984
Cash & temp. invest.	$ 11,317	$ 18,362
Accts. receiv., net	116,935	58,078
Investments in sales-type leases	68,483	18,380
*Inventories	141,038	64,561
Equipment leased or held for lease or sale	49,970	29,512
#Fixed assets	58,169	28,475
Other assets	17,825	16,689
Total Assets	$ 463,737	$ 234,057

Liabilities
(000's)

Short-term borrowing	$ 14,927	$ —
Accts. payable	24,659	16,696
Accruals	58,513	22,857
Income taxes	925	6,101
Oblig. under cap-lease	79,752	—
Long-term debt	71,703	28,842
Deferred inc. taxes	18,744	12,353
+ Common stock	14,488	14,424
Add. paid-in capital	39,384	39,058
For-curr-trans.	(6,427)	—
Retained earnings	147,069	93,726
Total Liabilities & Shareholders' Equity	$ 463,737	$ 234,057

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

% Income before Taxes to Revenues	16.75	19.81
% Net Income to Revenues	8.87	11.10
% Net Income to Equity	27.42	24.53
Shareholders' Equity	$194,514,000	$147,208,000

Tenney Engineering, Inc.

1090 Springfield Road
Union, New Jersey 07083
(201) 686-7870

Officers: Saul S. Schiffman, chairman of the board; Robert S. Schiffman, president; Seymour B. Sternbach, exec. v.p.; Walter Gottesman, v.p. & secretary; Frank H. Gardner, Martin S. Schletter, B. Kenneth Sneden, v.p.'s; Frank C. Gosztyla, treasurer.

Directors: Saul S. Schiffman, Robert H. Brown, Walter Gottesman, Louis Maier, Robert S. Schiffman, David C. Schiffman, Seymour B. Sternbach.

Areas of Work: Engineers and manufactures high technology environmental test equipment.

Subsidiaries:

TNY Corporation
Tenney Environmental Products, Inc.
Tenney International, Inc.
Westenn Sales, Inc.

Precision Circuits, Inc.
Manufactures custom printed circuit boards used in a wide variety of electronic equipment.

Transfer Agent(s):

National Westminster Bank
New York, New York

Stock Exchange(s): American

Ticker Symbol: TNY

Sales and Earnings

	Net Sales	Net Income
1984	$ 22,055,838	$ 1,370,367
1983	19,018,336	782,823
1982	17,931,006	669,685
1981	15,157,037	855,182
1980	13,095,118	729,526

	No. of Com. Shares #	Earn. per Share #
1984	3,481,882	$ 0.39
1983	3,480,366	0.22
1982	3,478,274	0.19
1981	3,478,274	0.25
1980	3,478,274	0.21

Based on the average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	5-for-4
1983	—	—	5-for-4
1982	—	—	4-for-3
1981	—	—	4-for-3
1980	—	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 6,956,139	$ 2.00
1983	5,611,948	1.61
1982	4,821,760	1.39
1981	4,154,446	1.19
1980	3,304,187	0.95

‡ Based on the average number of common shares outstanding adjusted to reflect and stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 22,055,838	$ 19,018,336
Cost of sales	14,729,722	13,117,909
Expenses	5,510,590	4,721,936
Other income	(398,541)	(332,932)

Income before taxes	$ 2,214,067	$ 1,511,423
Income taxes	843,700	· 728,600
Net Income	$ 1,370,367	$ 782,823

* Included in Costs and Expenses. Depreciation: $379,105 in 1984 and $302,120 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 3,108,591	$ 3,152,949
Accts. receiv., net	5,213,111	3,825,498
*Inventories	3,081,191	3,265,187
Income tax receiv.	341,114	9,926
Prepaid expenses	206,410	152,547
Current Assets	$ 11,950,417	$ 10,406,107
#Fixed assets	3,411,714	3,028,994
Other assets	144,560	165,626
Goodwill	610,385	631,928
Total Assets	$ 16,117,076	$ 14,232,655

Liabilities

Long-term debt, curr.	$ 278,600	$ 276,200
Accts. pay. & accruals	2,643,141	2,081,858
Accrued payroll	664,009	397,273
Advances	—	46,916
Income taxes	—	125,086
Deferred inc. tax	363,800	100,000
Curr. Liabilities	$ 3,949,550	$ 3,027,333
Long-term debt	4,916,787	5,195,374
Deferred inc. taxes	294,600	398,000
+ Common stock	348,442	278,794
Add. paid-in capital	1,515,585	1,587,232
Retained earnings	5,128,159	3,757,792
Treasury stock	(36,047)	(11,879)
Total Liabilities & Shareholders' Equity	$ 16,117,076	$ 14,232,655

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.04	7.95
%Net Income to Sales	6.21	4.12
%Net Income to Equity	19.70	13.95
Sales to Inventories	7.16	5.82
Working Capital	$8,000,867	$7,478,774
Current Ratio	3.03	3.55
Shareholders' Equity	$6,956,139	$5,611,948

Teradyne, Inc.

321 Harrison Avenue
Boston, Massachusetts 12118
(617) 482-2700

Officers: Alexander V. d'Arbeloff, chairman of the board & president; G. Russell Ashdown, v.p.-Telecommunications Division; George W. Chamillard, v.p.-Teradyne Connection Systems; George V. d'Arbeloff, v.p.-Industrial/Consumer Division; Joseph B. Lassiter, III, v.p.-Manufacturing Systems Division; Dennis P. O'Connell, v.p.-international operations; James A. Prestridge, v.p.-Component Test Group; Owen W. Robbins, v.p.-finance; Frederick T. Van Veen, v.p.-corporate relations; Loren G. Eaton, v.p.-personnel; Windsor H. Hunter, v.p.-Connection Systems; Lennart B. Johnson, v.p.-Connection Systems; Thomas B. Newman, Jr., v.p.-ATE customer service; Stuart M. Osattin, treasurer; John P. McCabe, controller; Richard J. Testa, clerk.

Directors: Alexander V. d'Arbeloff, Henry M. Watts, Jr., Franklin P. Johnson Jr., Daniel S. Gregory, Walter L. Lingle, Jr., John H. McArthur, Richard J. Testa, Dwight H. Hibbard, John P. Mulroney.

Areas of Work: Engaged in the design and manufacture of automatic and computer-operated instruments for testing semiconductors, electronic components, assemblies, certain types of printed circuit boards and networks; computer-operated laser-trimming systems for manufacturing hybrid circuits and film resistors; wire-wrap connectors and wire-wrapping service; and other electronic items. Also produces telephone line test systems, film resistors and wire-wrap connectors and backplane connection systems.

Divisions:

Semiconductor Test Division
Woodland Hills, California

Manufacturing Systems Division
Boston, Massachusetts

Industrial-Consumer Division
Boston, Massachusetts

Teradyne Connection Systems
Nashua, New Hampshire

Automatic Test Equipment
Boston, Massachusetts

Burlington Division
Burlington, Massachusetts

Telecommunications Division
Deerfield, Illinois

Subsidiaries:

Teradyne S.A.
11 bis. Rue Roquepine
Paris VIII, France

Teradyne Holdings Limited
England
  Teradyne Limited
  Mark Instruments Limited

Teradyne Benelux, Inc.
Teradyne Hong Kong, Ltd.
Teradyne International, Inc.
Teradyne Japan, Ltd.
Teradyne Canada Limited
Teradyne Italia S.r.l.
Teradyne GmbH
Teradyne S.A.
Teradyne K.K.
Teradyne Korea, Ltd.

Transfer Agent(s):

Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York

Ticker Symbol: TER

Number of Employees:

1984	5,000	1981	3,050
1983	3,900	1980	3,050
1982	3,200		

Plant Footage:

1984*	1,218,000 sq. ft.	1981*	1,078,000
1983*	1,278,000	1980	1,024,000
1982*	1,054,000		

* Includes owned and leased facilities.

Sales and Earnings

	Net Sales	Net Income
1984	$ 389,278,000	$ 43,154,000
1983	251,422,000	21,382,000
1982	176,305,000	4,298,000
1981	159,942,000	4,267,000
1980	164,970,000	11,370,000

	No. of Com. Shares +	Earn. per Share ‡
1984	22,283,281	$ 1.87
1983	21,716,448	1.08
1982	17,253,224	0.24
1981	16,622,616	0.25
1980	16,213,748	0.69

+ Adjusted to reflect stock splits.
‡ Based on average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1
1982	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 226,548,000	$ 10.17
1983	176,460,000	8.13
1982	98,229,000	5.69
1981	90,541,000	5.44
1980	83,276,000	5.13

‡ Adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 389,278	$ 251,422
Cost of sales	193,724	128,176
Expenses	123,554	86,533
Interest expense	5,163	6,167
Income before taxes	$ 66,837	$ 30,546
Income taxes	23,683	9,164
Net Income	$ 43,154	$ 21,382

* Included in Costs and Expenses, Depreciation: $18,190,000 in 1984 and $12,860,000 in 1983

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 804	$ 121
Accts. receiv., net	103,163	71,116
*Inventories	83,479	50,007
Federal & state inc. taxes	—	1,871
Prepaid expenses	3,001	2,524
Current Assets	$ 190,447	$ 125,639
#Fixed assets	154,521	122,890
Defer. charges & other assets	5,471	4,030
Total Assets	$ 350,439	$ 252,559

Liabilities
(000's)

Notes payable	$ 6,091	$ 4,839
Mortg. note, curr.	422	255
Accts. payable	12,676	10,504
Accruals	17,840	12,145
Accrued payroll	12,010	7,511
Income taxes	4,378	1,532
Curr. Liabilities	$ 53,417	$ 36,786
Long-term note	55,852	28,312
Deferred inc. taxes	14,622	11,001
+ Common stock	2,785	2,715
Add. paid-in capital	105,481	98,617
Retained earnings	118,282	75,128
Total Liabilities & Shareholders' Equity	$ 350,439	$ 252,559

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.125 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.17	12.15
%Net Income to Sales	11.09	8.50
%Net Income to Equity	19.05	12.12
Sales to Inventories	4.66	5.03
Working Capital	$137,030,000	$ 88,853,000
Current Ratio	3.57	3.42
Shareholders' Equity	$226,548,000	$176,460,000

Terminal Data Corporation

21221 Oxnard Street
Woodland Hills, California 91367
(213) 887-4900

Officers: Michael Rothbart, chairman of the board, president & chief executive officer; Herman W. Pass, sr. v.p.-corporate and product planning; Samuel L. Greene, v.p.-marketing; Stephen D. Shelton, v.p.-finance & treasurer; Denis P. Bean, v.p.-OEM programs & contracts; James R. Schwartz, v.p. & gen mgr.-duplicator products; Juliet P. Imes, v.p.-personnel; Thomas N. Yesowich, v.p.-engineering; Sharon K. Franzen, v.p.-administration & secretary; Robert D. Therien, v.p.-research & development; Kathryn A. Price, asst. secretary & counsel.

Directors: Michael Rothbart, chairman; Lachlan Foster, M.H. Jacobs, Paul G. McNamara, Milton McKay, Charles A. Roberts.

Areas of Work: Designs and manufactures components for electronic document image management systems including high resolution video terminals and automatic and manual high speed document digitizer. Designs and manufactures microfilm systems and microfiche duplicating equipment.

Subsidiaries:

TDC Properties Corp.
21221 Oxnard Street
Woodland Hills, California 91367
(213) 887-4900

Terminal Data Service Corporation
21221 Oxnard Street
Woodland Hills, California 91367

Transfer Agent(s):

U.S. Stock Transfer Corporation
1745 Gardena Avenue
Glendale, California 91204

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TERM (NASDAQ)

Number of Employees:

1984	613	1981	310
1983	522	1980	375
1982	410		

Plant Footage:

1984	190,000 sq. ft.	1981	130,000
1983	163,000	1980	130,000
1982	165,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 45,627,000	$ 3,096,000
1983	30,254,000	1,993,000
1982	26,113,347	2,273,604
1981	23,289,186	1,299,349
1980	14,374,130	503,488

	No. of Com. Shares ‡	Earn. Per Share ‡
1984	4,141,000	$ 0.75
1983	4,137,000	0.48
1982	3,733,000	0.61
1981	3,013,000	0.43
1980	2,579,000	0.19

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	25%	—
1982	—	25%	—
1981	—	10% & 50%	—
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 21,076,000	$ 5.09
1983	17,711,000	4.28
1982	15,260,611	4.09
1981	7,018,128	2.33
1980	5,400,412	2.09

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 45,627,000	$ 30,254,000
Cost of sales	32,490,000	20,300,000
Expenses	8,097,000	7,272,000
Oper. profit	$ 5,040,000	$ 2,682,000
Interest expense	617,000	504,000
Interest income	(79,000)	(395,000)
Other expense (income)	28,000	(28,000)
Income before taxes	$ 4,474,000	$ 2,601,000
Income taxes	1,378,000	608,000
Net Income	$ 3,096,000	$ 1,993,000

* Included in Costs and Expenses, Depreciation and Amortization: $684,000 in 1984 and $543,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 458,000	$ 565,000
Marketable securities	—	1,411,000
Receiv., net	8,926,000	8,371,000
*Inventories	16,628,000	10,183,000
Prepaid expenses	398,000	254,000
Current Assets	$ 26,410,000	$ 20,784,000
#Fixed assets	9,871,000	6,830,000
Other assets	657,000	883,000
Total Assets	$ 36,938,000	$ 28,497,000

Liabilities

Notes payable	$ 2,700,000	$ —
Long-term debt, curr.	288,000	233,000
Accts. payable	3,885,000	3,543,000
Accruals	2,745,000	1,989,000
Inc. taxes payable	679,000	85,000
Curr. Liabilities	$ 10,297,000	$ 5,850,000
Long-term debt	4,602,000	4,086,000
Deferred inc. taxes	963,000	850,000
+ Common stock	4,058,000	3,206,000
Add. paid-in capital	10,649,000	10,421,000
Retained earnings	6,369,000	4,084,000
Total Liabilities & Shareholders' Equity	$ 36,938,000	$ 28,497,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.81	8.60
%Net Income to Sales	6.79	6.59
%Net Income to Equity	14.69	11.25
Sales to Inventories	2.74	2.97
Working Capital	$16,113,000	$14,639,000
Current Ratio	2.56	3.45
Shareholders' Equity	$21,076,000	$17,711,000

Texas Instruments Incorporated

P.O. Box 225474
13500 North Central Expressway
Dallas, Texas 75265
(214) 995-2011

Officers: Mark Shepherd, Jr., chairman of the board & chief corp. officer; Jerry R. Junkins president & chief executive officer; Grant A. Dove, William I. George, William N. Sick, Jr., William P. Weber, executive v.p.'s; George H. Heilmeier, sr. v.p. & chief technical officer; Richard J. Agnich, v.p., secretary & general counsel; William A. Aylesworth, v.p., treasurer & chief financial officer; Peter A. Field, v.p.-corp. marketing; Eric L. Jones, v.p.; Ronald F. Keener, v.p.-corporate licensing; Marvin M. Lane, Jr., v.p. & corporate controller; David D. Martin, v.p. & president-Materials & Controls Group; Dolan K. McDaniel, v.p. & president-Geophysical Service, Inc.; William B. Mitchell, v.p. & president-Equipment Group; Robert C. Pearson, v.p.-finance; Walden C. Rhines, v.p. & president-Data Systems Group; Liston M. Rice, Jr., v.p.-corp. communications; William E. Wetsel, v.p.-corporate personnel; Joseph D. Zimmerman, v.p.-corporate services; Clara C. O'Donnell, asst. secretary.

Directors: Mark Shepherd, Jr., chairman of the board; Jerry R. Junkins, S.T. Harris, Douglass C. Harvey, Edward R. Kane, Paul F. Lorenz, Paul W. McCracken, C.J. Thomsen, John C. Toomay, James M. Voss, Howard Bell, David C. Garret, Jr., William P. Weber.

Areas of Work: Semiconductor materials, multilayer circuit boards, integrated circuits, small, medium, and large scale arrays (MOS and Bipolar); microprocessors & microcomputers, transistor, rectifiers; digital seismic equipment, semiconductor materials, radar systems, electro-optic systems, ordinance hardware, classified electronics equipment, business, consumer and scientific calculators; electronic learning aids, opto-electronic devices; electronic and electro-mechanical parts and assemblies, safety and control devices; clad metals; digital computers and computer systems, electronic data terminals and printers, strip chart recorders, precision pressure instrumentation.

Product & Service Categories

Materials and Electrical Products
Geophysical Services
Semiconductor Products
Government Electronic Equipment
Data Systems Products
Consumer Electronic Products

All at:

P.O. Box 225474
Dallas, Texas 75265

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, New York 10015

RepublicBank Dallas, N.A.
P.O. Box 2964
Dallas, Texas 75221

Stock Exchange(s): New York

Ticker Symbol: TXN

Number of Employees:

1984	86,563	1981	83,714
1983	80,696	1980	89,875
1982	80,007		

Plant Footage:

1984	24,448,595 sq.ft.	1981	20,800,000
1983	22,555,133	1980	19,800,000
1982	22,100,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 5,741,600	$ 316,000
1983	4,579,800	(145,400)
1982	4,326,600	144,000
1981	4,026,000	108,500
1980	4,074,700	212,200

	No. of Com. Shares ‡	Earn. per Share ‡
1984	24,210,000	$ 13.05
1983	23,862,000	—
1982	23,609,000	6.10
1981	23,483,000	4.62
1980	23,021,000	9.22

(Loss)

‡ Based on the average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.00	—	—
1983	2.00	—	—
1982	2.00	—	—
1981	2.00	—	—
1980	2.00	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share ‡
1984	$ 1,540,500	$ 63.63
1983	1,202,700	50.40
1982	1,360,800	57.64
1981	1,260,100	53.66
1980	1,164,500	50.58

‡ Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 5,741,600	$ 4,579,800
Cost of sales	4,189,600	3,908,400
Expenses	858,100	901,000
Retirement & prof. sh. plan	168,100	58,500
Oper. profit (loss)	$ 525,800	$ (288,100)
Other income	(9,600)	(900)
Total	$ 535,400	$ (287,200)
Interest expense	48,900	36,000
Income (loss) before taxes	$ 486,500	$ (323,200)
Income taxes (credit)	170,500	(177,800)
Net Income (Loss)	$ 316,000	$ (145,400)

* Included in Costs and Expenses, Depreciation: $422,600,000 in 1984 and $351,400,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 274,400	$ 184,900
Accts. receiv., net	793,700	664,600
*Inventories	489,200	335,600
Prepaid expenses	301,100	266,600
Current Assets	$ 1,858,400	$ 1,451,700
#Fixed assets	1,481,100	1,199,000
Other assets & defer. charges	83,900	62,600
Total Assets	$ 3,423,400	$ 2,713,300

Liabilities
(000's)

	1984	1983
Loans payable & long term debt, curr.	$ 46,300	$ 37,300
Accts. payable & accruals	1,122,600	1,050,800
Accrued retire. & prof. sh. plan	96,000	53,200
Dividends payable	12,300	12,000
Income taxes	135,000	77,200
Curr. Liabilities	$ 1,412,200	$ 1,230,500
Long-term debt	380,700	225,100
Deferred charges	7,200	3,800
Deferred credits & other liab.	82,800	51,200
+Common stock	24,700	24,100
Add. paid-in capital	287,100	218,000
Retained earnings	1,241,300	973,900
Treasury stock	(12,600)	(13,300)
Total Liabilities & Shareholders' Equity	$ 3,423,400	$ 2,713,300

* At lower of cost, current replacement cost, or est. realizable value.

# Less accumulated depreciation.

+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	8.47	—
%Net Income to Sales	5.50	—
%Net Income to Equity	20.51	—
Sales to Inventories	11.74	13.65
Working Capital	$ 446,200,000	$ 221,200,000
Current Ratio	1.32	1.18
Shareholders' Equity	$1,540,500,000	$1,202,700,000

Texscan Corporation

3102 N. 29th Avenue
Phoenix, Arizona 85017
(602) 252-5021

Officers: Carl N. Pehlke, chairman of the board; James A. Luksch, president; Norman L. Glew, v.p.-European Operations; Daniel F. Litterski, Thomas W. Swafford, Edgardo Carballo, Raleigh B. Stelle, III, Norman A. Westcott, William P. Dawson, Berthold L. Henscheid, Robert J. Pallé, Robert E. Daniels, David W. Keller, v.p.'s; Steven R. McGill, treasurer; J. Michael Frost, v.p. & asst. secretary.

Directors: Carl N. Pehlke, chairman; James A. Luksch, Daniel F. Litterski, William E. Croysdale, Keith E. Hodgin.

Areas of Work: Designs, manufactures and markets a broad line of CATV distribution and testing equipment which is sold under the Theta-Com trademark, and CATV character generation equipment which is sold under the MSI trade name. CATV distribution equipment includes trunk amplifiers, line extenders, passives, power supplies and subscriber taps. CATV character generation equipment is used primarily in weather reporting, news and other textual displays. Also designs, manufactures and markets multipoint distribution system ("MDS") down converters under the Theta-Com trademark. The principal purchasers of the Company's products are operators of CATV systems. In addition, the Company designs and manufactures RF testing equipment, including spectrum analyzers, sweep signal generators, oscilloscopes, microwave filters, and coaxial components for laboratory, communications and industrial uses under the Texscan trademark. Designs, manufactures and markets nonaddressable converters. Designs and manufactures standby power supplies for CATV systems.

Divisions and Subsidiaries:

Texscan Instruments
3169 North Shadeland Avenue
Indianapolis, Indiana 46226
(317) 545-4196

Texscan MSI Compuvid
3855 South 500 West
Suite S
Salt Lake City, Utah 84115
(801) 262-8475

Texscan Theta-Com CATV
2960 Grand Avenue
Phoenix, Arizona 85017
(602) 252-5021

Texscan El Paso Division
1440 Goodyear Drive
El Paso, Texas 79936
(915) 594-3555

Texscan Communicaciones Banda Grande
S.A. de C.V.
Parque Ind. A.J. Bermudez
Apdo. Postal 1747 Suc "D"
Ciudad, Juarez, Chihuahua, Mexico

Texcan GmbH
Peschelanger II
D-8000 Munchen 83
Munich, West Germany

Texscan Instruments Limited
One Northbridge Road
Berkhamsted, Hertfordshire
England

Texscan de Mexico
Melguiades Alanis
Fray Juan de Zumarraga
Ciudad Juarez, Chihuahua
Mexico

Societe Texscan S.A.
7, Rue Du Chemin Vert
94100 Saint Maur, France

Texscan Instruments Limited
Watermeadow, Germain Street
Chesham, Bucks HP5 1LF
England, United Kingdom

Transfer Agent(s):

American National Bank & Trust Co. of Chicago
LaSalle at Washington
Chicago, Illinois 60690

Stock Exchange(s): American

Ticker Symbol: TXS

Number of Employees:

1984	N.A.	1982	978
1983	N.A.	1981	900

Plant Footage:

1984	N.A.	1982	174,900 sq. ft.
1983	N.A.	1981	148,000

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 84,859,336	$ 4,795,178
1983	54,665,454	5,697,600
1982	40,495,723	4,012,000
1981	27,654,154	1,962,000
1980	16,095,910	766,000

	No. of Com. Shares +	Earn. per Share +
1984	6,879,907	$ 0.70
1983	6,385,108	0.89
1982	5,934,583	0.68
1981	4,335,728	0.45
1980	3,212,795	0.24

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	5-for-4
1981	—	—	2-for-1 & 6-for-5
1980	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 51,747,604	$ 7.52
1983	40,013,792	6.27
1982	32,313,879	5.45
1981	15,959,055	3.68
1980	4,215,000	1.31

Texscan Corporation

† Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended April 30	1984	1983
Net sales	$ 84,859,336	$ 54,665,454
Cost of sales	56,655,904	34,344,329
Expenses	19,334,303	12,343,611
Interest expense	3,382,217	166,421
Interest income	(1,432,266)	(1,236,458)
Income before taxes	$ 6,919,178	$ 9,047,551
Income taxes	2,124,000	3,350,000
Net Income	$ 4,795,178	$ 5,697,551

* Included in Costs and Expenses, Depreciation and Amortization: $2,738,513 in 1984 and $828,847 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 371,951	$ 1,024,698
Market. securities	4,410,527	4,683,562
Receiv., net	28,548,612	16,196,378
*Inventories	46,457,395	16,873,943
Prepaid expenses	998,319	593,558
Current Assets	$ 80,786,804	$ 39,372,139
#Fixed assets	24,015,105	9,529,128
Other assets	11,780,327	2,781,676
Total Assets	$ 116,582,236	$ 51,682,943

Liabilities

	1984	1983
Accts. payable	$ 14,249,369	$ 7,891,828
Accruals	593,876	348,620
Accrued payroll	1,624,433	955,851
Inc. taxes payable	—	598,878
Accrued interest	1,328,900	—
Taxes	918,682	684,721
Warranty reserve	887,367	12,500
Curr. Liabilities	$ 19,602,627	$ 10,492,398
Long-term debt	44,643,406	796,439
Deferred inc. taxes	588,599	380,314
+ Common stock	35,530,017	27,762,113
Notes receivable	(2,441,254)	(1,037,200)
Add. paid-in capital	1,731,370	1,156,586
Retained earnings	16,986,151	12,190,973
Treasury stock	(58,680)	(58,680)
Total Liabilities & Shareholders' Equity	$ 116,582,236	$ 51,682,943

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	8.15	16.55
%Net Income to Sales	5.65	10.42
%Net Income to Equity	9.27	14.24
Sales to Inventories	1.83	3.24
Working Capital	$61,184,177	$28,879,741
Current Ratio	4.12	3.75
Shareholders' Equity	$51,747,604	$40,013,792

Textron Inc.

40 Westminster Street
Providence, Rhode Island 02903
(401) 421-2800

Officers: Robert P. Straetz, chairman of the board; B.F. Dolan, president & chief executive officer; William J. Ledbetter, senior exec. v.p.-administration & planning; Charles F. Chapin, Louis S. Bishop, George H. Hartmann, Edmund V. Marshall, Quentin G. Achuff, Glenn K. Currie, John J. Mahoney, group vice presidents; Edward O. Handy, Jr., v.p.-employee benefits; Thomas D. Soutter, executive v.p. & general counsel; Willard R. Gallagher, v.p.-intl.; William P. Janovitz, v.p. & controller; Maurice G. Wilkins, Jr., senior v.p.-Finance and Investment; Rita Powers, v.p. & secretary; Raymond W. Caine, Jr., v.p-corporate communications; Edward P. Fitzgerald, v.p.-taxes; John L. Morse, v.p.-risk management/insurance; Richard A. Watson, v.p.-investment; Dennis G. Little, executive v.p. & chief financial officer; Robert P. Bauman, vice chairman; Gordon M. Tuttle, senior v.p. & vice chairman Avco; William F. Wayland, senior v.p.-Human Resources; Gary E. Atwell, v.p.-Operations Analysis & Control; Charles Y. Brush, v.p.-Insurance Investments; Robert B. Clendenen, v.p.-International Audit; John J. Delucca, v.p. & treasurer; William D. Gaillard, Arnold M. Friedman, v.p.'s & deputy general counsel; William A. Anders, senior executive v.p.-Textron Operations; Donald K. Farrar, senior executive v.p. & president-Avco Operations; Norton C. Wilcox, group v.p.-Aerospace & chairman-Bell Aerospace.

Directors: Dante C. Fabiani, James R. Martin, Sam F. Segnar, Paul M. Fye, Robert P. Straetz, Clarence H. Gifford, Jr., Webb C. Hayes, III, R. Heath Larry, Barbara Scott Preiskel, Jean Head Sisco, Howard R. Swearer, B.F. Dolan, John J. Schmidt, J. Paul Sticht, Robert P. Bauman, Daniel B. Burke, Joseph R. Carter, R. Stuart Dickson, William M. Ellinghaus, Donald K. Farrar, Amos A. Jordan Jr.

Areas of Work: Manufactures many products in the aerospace, consumer, industrial, investment and metal products field.

Divisions:

Avco Group

Avco Corporation
1275 King Street
Greenwich, Ct. 06830
Avco has operations in four major areas; financial services, propulsion systems, aerospace technology and management services.

Aerospace & Electronics Group

Bell Aerospace Textron
P.O. Box One
Buffalo, New York 14240
Rocket engines, communications and air cushion systems, aircraft landing systems, missile and spacecraft propulsion systems, rocket propellant tanks, inertial navigation instruments, gravity sensing systems, air cushion vehicles and surface effect ships.

Bell Helicopter Textron, Inc.
P.O. Box 482
Fort Worth, Texas 76101
Military and commercial helicopters and vertical lift aircraft, systems integration, spare parts.

HR Textron Inc.
25200 West Rye Canyon Road
Valencia, California 91355
System studies and analyses, flight control actuators, servovalve controls, cryogenic coolers, filters, automatic test equipment and product support.

Basic Microelectronics
P.O. Box 12335
Lake Park, Florida 33403
Produces photomask substrates and other products for semiconductor industry which require thin film coatings.

Industrial Products Group

CWC Castings
Henry Street
Muskegon, Michigan 49441
Iron castings for engine blocks, camshafts, cylinder heads, gears, manifolds, housings, transmission cases and other ferrous casting applications.

Spencer Kellogg
120 Delaware Avenue
Buffalo, New York 14202
Specialty resins and oils, raw materials for paint and coatings, adhesives, printing inks and electrical products.

Sprague Meter
35 South Avenue
Bridgeport, Connecticut 06601
Gas meters and pressure regulators, pipe-line repair and service fittings for gas, water and industrial markets.

Randall
P.O. Box 46334
Cincinnati, Ohio 45246
Manufactures metal and plastic parts and trim used in the automotive and appliance industries.

Specialty Consumer Group

Gorham
333 Adelaide Avenue
Providence, Rhode Island 02907
Sterling silver, silver-plated, pewter and stainless steel flatware; and holloware, giftware, jewelry, bronze memorials, fine crystal and china.

Sheaffer Eaton
75 So. Church Street
Pittsfield, Massachusetts 01201
Writing instruments, desk sets, social stationery, personal record and appointment books, typewriter paper, correction fluid and tapes, report folders.

Shuron
P.O. Box 331
Rochester, New York 14601
Eyeglass frames, lenses.

Speidel
70 Ship Street
Providence, Rhode Island 02903
Watchbands, identification bracelets, digital watches, jewelry, men's toiletries.

Valentine Sands
210 Albert Road
South Melbourne 3205
Victoria, Australia
Greeting cards, games and toys, security and color printing, business forms, books and magazines, computer and phototypesetting services.

Engineered Fasteners Group

Camcar
600 18th Avenue
Rockford, Illinois 61101
Cold-formed metal parts, proprietary and special fasteners for aerospace, automotive, railroad, and appliance industries.

Cherry
1224 East Warner Avenue
Santa Ana, California 92707
Proprietary fastening systems for aerospace and commercial applications lock nut products and installation tools.

Townsend
P.O. Box 370
Beaver Falls, Pennsylvania 15010
Special fasteners and cold formed metal parts for aerospace, automotive, railroad, metal working, industrial construction industries, fastening systems; installation tools and automatic fastening machines saw chain and accessories.

Bostitch
South County Trail
East Greenwich, Rhode Island 02818
Staplers and staples, pneumatic wire stitchers and strappers.

Venture Capital and Financing Group

American Research and Development
45 Milk Street
Boston, Massachusetts 02109
Investments in new and developing enterprises stressing advanced products and proprietary ideas, including environmental sciences, medical and health sciences, computer-related businesses and innovative advanced technological products.

Textron Financial Corporation
40 Westminster St.
Providence, Rhode Island 02903
Financing and leasing programs to Textron Divisions to facilitate sale of their products.

Outdoor Products Group

Homelite
14401 Carowinds Boulevard
P.O. Box 7047
Charlotte, North Carolina 28217
Chain saws, string trimmers, generators, pumps.

Jacobsen Turf
1721 Packard Avenue
Racine, Wisconsin 53403
Lawn mowers, snow throwers, lawn and garden tractors; commercial turf maintenance equipment.

E-Z-Go
P.O. Box 388
Augusta, Georgia 30913
Produces gas and electric gulf cars and utility vehicles.

Machine Tool & Precision Bearing Group

Fafnir Bearing
P.O. Box 2350
New Britain, Connecticut 06050
Precision ball, roller and fabric lined bearings for industrial, aerospace and farm equipment fields.

Bridgeport Machines
P.O. Box 32
Bridgeport, Connecticut 06601
Vertical and horizontal milling machines, grinders. Manual and computerized control systems, numerical control systems, vertical machining centers, measuring equipment and automatic assembly machines.

Transfer Agent(s):

Morgan Guaranty Trust Company of New York
30 West Broadway
New York, N. Y. 10015

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: TXT

Number of Employees:

1984	43,000	1981	49,000
1983	41,000	1980	61,000
1982	41,000		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 3,221,100	$ 113,500
1983	2,979,800	88,700
1982	2,936,000	84,400
1981	3,328,000	151,800
1980	3,338,300	86,100

	No of Com. Shares	Earn. per Share #
1984	36,469,000	$ 3.11
1983	36,989,000	2.40
1982	36,754,000	2.30
1981	37,415,000	4.06
1980	37,474,000	2.30

+ Of continuing operations only.
# Based on weighted average number of shares outstanding.

Revenues by Line of Business

	1984 (000's)	%	1983 (000's)	%
Aerospace & electric	$1,113,000	35%	$1,112,000	37%
Outdoor prod.	366,000	11	372,000	13
Specialty consumer	423,000	13	418,000	14
Machine tool & precision bearing	445,000	14	364,000	12
Engineering fasteners	510,000	16	415,000	14
Industrial prods.	364,000	11	299,000	10
Total	$3,221,000	100%	$2,980,000	100%

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.80	—	—
1983	1.80	—	—
1982	1.80	—	—
1981	1.80	—	—
1980	1.80	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$1,131,540,000	$ 34.46
1983	1,132,050,000	33.09
1982	1,102,560,000	32.57
1981	1,089,830,000	32.40
1980	989,780,000	29.71

‡ After allowing for preferred stock at redemption values.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 3,221,100	$ 2,979,800
Cost of sales	2,505,100	2,346,300
Expenses	515,500	480,100
Interest income	(11,700)	(13,100)
Interest expense	35,500	35,300
Eq. in inc. of unconsol. co.	(21,200)	(17,300)
Income before taxes	197,900	148,500
Income taxes	$ 84,400	$ 59,800
Net Income	$ 113,500	$ 88,700

* Included in Costs and Expenses, Depreciation: $68,900,000 in 1984 and $64,600,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash & market. securities	$ 42,900	$ 165,800
Accts. receiv., net	549,800	439,500
*Inventories	877,300	827,500
Prepaid expenses	44,800	38,100
Current Assets	$ 1,514,800	$ 1,470,900
#Fixed assets	452,400	412,900
Other assets	242,800	220,800
Total Assets	$ 2,210,000	$ 2,104,600

Liabilities
(000's)

Short-term debt, curr.	$ 28,900	$ 8,300
Long-term debt, curr.	26,700	14,800
Accts. payable	217,300	169,700
Income taxes	36,600	86,600
Other liabilities	335,600	280,500
Curr. Liabilities	$ 645,100	$ 559,900
Long-term debt	200,400	231,600
Other liabilities	110,600	68,500
+ Preferred stock:		
$2.08 Cum. conv.	36,000	42,100
$1.40 Convertible	12,200	12,800
+ + Common stock	9,000	9,000
Add. paid-in capital	148,300	141,600
Retained earnings	1,152,800	1,105,200
For. curr. trans. adj.	(30,000)	(20,000)
Treasury stock	(74,400)	(46,100)
Total Liabilities & Shareholders' Equity	$ 2,210,000	$ 2,104,600

* At LIFO. The remainder at lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.
+ + $0.25 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.14	4.98
%Net Income to Sales	3.52	2.98
%Net Income to Equity	9.05	7.13
Sales to Inventories	3.67	3.60
Working Capital	$ 869,700,000	$911,000,000
Current Ratio	2.35	2.63
Shareholders' Equity	$1,253,900,000	$1,244,600,000

Thermo Electron Corporation

101 First Avenue
P.O. Box 459
Waltham, Massachusetts 02254
(617) 890-8700

Officers: George N. Hatsopoulos, president & chief executive officer; Peter G. Pantazelos, exec. v.p. and chief financial officer; Robert C. Howard, exec. v.p.; John N. Hatsopoulos, sr. v.p.; John P. Appleton, v.p.-technology; Walter J. Bornhorst, Paris L. Nicolaides, Arvin H. Smith, v.p.'s & group executives; Thomas F. Widmer, v.p.-engineering; Paul F. Ferrari, treasurer & secretary; Paul F. Kelleher, controller.

Directors: George N. Hatsopoulos, Robert A. McCabe, Donald E. Noble, Alexander V. d'Arbeloff, Peter O. Crisp, Edward Teller, Frank Jungers, Thomas I. Unterberg, Elias P. Gyftopoulos.

Areas of Work: Provides industry, utilities, and government with high technology equipment and services, in fields of energy conversion, cogeneration sy tems, instruments to monitor nuclear radiation, and critical air pollutants; equipment used in the manufacture of computers and electronics, magnetic tapes and films, and components for national defense. Six groups of operations include cogeneration systems, instruments, process equipment, metallurgical services, R & D Center, and thermedics.

Divisions and Subsidiaries:

Instruments Division

Environmental Intruments
108 South Street
Hopkinton, Massachusetts 01748

Analytical Instruments
101 First Avenue
P.O. Box 459
Waltham, Massachusetts 02254

Eberline
Airport Road
P.O. Box 2108
Santa Fe, New Mexico 87501

Air Monitoring
2015 Bellaire Avenue
Royal Oak, Michigan 48067

Environmental Analysis Laboratory
2030 Wight Avenue
Richmond, California 94804

Thermo Electron Limited
Woolborough Lane
Crawley, West Sussex RH10 2AQ
England

Thermo Electron Nippon Co., Ltd.
3-5-11 Minami-Nakaburi
Hiakaba, Osaka Japan

Van Hengel Instruments B.V.
Heerbaan 220
Breda
The Netherlands

Van Hengel Instrumente GmbH
Baiertalerstrasse 24-26
6908 Wiesloch
West Germany

Energy Systems Division
Research, development and manufacturing programs related to the conversion of energy and the generation of power.

Energy Systems
101 First Avenue
P.O. Box 459
Waltham, Massachusetts 02254

Crusader Engines
7100 East 15 Mile Road
Sterling Heights, Michigan 48077

Metallurgical Equipment Division
Designs, develops, manufactures and markets controlled atmosphere furnaces and associated equipment for industrial heat-treating processes.

Loftus
5 Gateway Center
Pittsburgh, Pennsylvania 15222

Holcroft
12068 Market Street
Livonia, Michigan 48150
(313) 261-8410

Holcroft & Company (Canada) Ltd.
94 Bessemer Court
London, Ontario, Canada N6E 1K7

NAPCO, Inc.
NAPCO Drive
P.O. Box 26
Terryville, Connecticut 06786

Metallurgical Services Division
Develop and manufacture medical prosthetic devices and fabricate high performance metal alloy components.

SCAT DIVISION
2829 East Washington Boulevard
Los Angeles, California 90023

Metal Treating Division
1575 West Pierce Street
Milwaukee, Wisconsin 52304

Cal-Doran Division
2830 East Washington Boulevard
Los Angeles, California 90023

TEMS Division
411 Jackson Hill Street
Houston, Texas 77007

Perfection Heat Treating Division
24200 Plymouth Road
Detroit, Michigan 48239

Metallurgical, Inc.
900 East Hennepin Avenue
Minneapolis, Minnesota 55414

Metals Division
115 Eames Street
Wilmington, Massachusetts 01887

R & D New Business Division
45 First Avenue
P.O. Box 02264
Waltham, Massachusetts 02254

Acquisition(s):

Van Hengel Holding, B.V.
Instrument distributor.

NAPCO, Inc.
Electroplating systems.

Environmental Analysis Laboratory
Analytical services.

M & T Equipment, Ltd.
Electroplating systems.

Contraves Goerz Corporation
(Environmental instruments products line)

Syncal Corporation
Thermoelectric energy conversion.

Peter Brotherhood PLC
Turbines and compressors.

Transfer Agent(s):

Bank of Boston
Securities Transfers and Shareholder Corespondence
P.O. Box 644
Boston, Massachusetts 02112

Stock Exchange(s): New York

Ticker Symbol: TMO

Sales and Earnings

	Net Sales ‡	Net Income
12/29/84	$ 234,924,000	$ 6,073,000
12/31/83	181,866,000	50,000
1/1/83	217,222,000	2,578,000
1/2/82*	114,630,000	4,068,000
6/27/81	210,019,000	8,208,000

	No. of Com. Shares +	Earn. per Share +
12/2/84	6,033,279	$ 1.01
12/31/83	5,928,644	0.01
1/1/83	6,400,379	0.40
1/2/82*	6,552,927	1.35
6/27/81	6,345,903	1.19

* 6 months.
‡ Includes other income.
+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	12/29/84	12/31/83
Engineered industrial prods.	$ 151,684	$ 107,874
Environmental and health instruments	39,824	35,832
Metallurgical services	31,158	26,223
Sponsored research	12,258	11,937
Total	$ 234,924	$ 181,866

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
12/29/84	—	—	—
12/31/83	—	—	3-for-2
1/1/83	—	—	—
1/2/82	—	—	—
6/27/81	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share +
12/29/84	$ 84,219,000	$ 13.96
12/31/83	79,026,000	13.33
1/1/83	78,092,000	12.20
1/2/82	84,526,000	12.90
6/27/81	81,636,000	12.86

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended	12/29/84	12/31/83
Net sales	$ 234,924	$ 181,866
Cost of sales	174,613	133,251
Expenses	49,639	48,468
Royalty income	(771)	(728)
Interest expense	4,879	4,824
Interest income	(964)	(1,100)
Gain on sale of subsid. stock	—	(5,292)
Invest. in tax benefits	461	(210)
Losses from divisions closed	—	3,240
Loss on long-term invest.	927	—
Other income	(20)	(705)
Income before taxes	$ 6,160	$ 118
Income taxes	87	68
Net Income	$ 6,073	$ 50

* Included in Costs and Expenses, Depreciation and Amortization: $8,577,000 in 1984 and $7,004,000 in 1983.

Assets
(000's)

As of	12/29/84	12/31/83
Cash	$ 1,865	$ 3,756
Short-term invest.	9,513	12,470
Accts. receiv., net	44,167	36,201
Unbilled contract costs & fees	17,494	7,736
*Inventories	29,082	26,906
Prepaid expenses	1,216	1,331
Current Assets	$ 103,337	$ 88,400
#Fixed assets	49,401	45,199
Assets of closed div.	4,147	4,746
Invest. in future tax benefits	6,744	7,783
Other assets	8,956	7,663
Intangibles	26,514	27,654
Total Assets	$ 194,099	$ 181,445

Liabilities
(000's)

Notes payable	$ 4,197	$ 1,730
Long-term debt, curr.	1,016	3,957
Accts. payable	23,916	13,981
Billings in exc. of contract costs	7,623	3,933
Accrued payroll	7,694	7,615
Accruals & misc. taxes	7,632	9,121
Income taxes	3,358	2,532
Curr. Liabilities	$ 55,436	$ 42,869
Long-term debt.	44,109	47,730
Deferred inc. taxes	5,793	8,058
Other deferred items	3,227	2,369
Minority interest	1,315	1,393
+Common stock	6,612	6,612
Add. paid-in capital	42,750	42,514
Retained earnings	45,783	39,710
Treasury stock	(6,326)	(6,257)
Cum. trans. adjust.	(4,600)	(3,553)
Total Liabilities & Shareholders' Equity	$ 194,099	$ 181,445

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes Revenues	2.62	0.06
%Net Income to Revenues	2.59	0.03
%Net Income to Equity	7.21	0.06
Working Capital	$47,901,000	$45,531,000
Current Ratio	1.86	2.06
Shareholders' Equity	$84,219,000	$79,026,000

Thomas & Betts Corporation

920 Route 202
Raritan, New Jersey 08869
(201) 685-1600

Officers: J. David Parkinson, chairman of the board T. Kevin Dunnigan, president & chief executive officer; Robert V. Berry, sr. v.p.; Edward D. Thomas, v.p.-corp. development; James D. Hay, v.p. & general counsel; Ronald P. Babcock, v.p.-finance; John F. Walsh, v.p.-human resources; David M. Hunihan, group v.p.; James F. Haggerty, controller; N. Gary Shultis, group v.p.; J.W. Kearny Hibbard, treasurer; Janice H. Way, secretary.

Directors: J. David Parkinson, chairman; Ian M. Ross, Edward D. Thomas, William R. Hartman, Louis Putze, Peter Cartmell, J. Wendell Crain, Robert V. Berry, Frederick Bartenstein, Hobart Betts, T. Kevin Dunnigan, Norma Maine Loeser, William H. Waltrip, Nestor J. MacDonald, William C. Hittinger.

Areas of Work: Engaged in the manufacture and marketing of connectors and accessory products for the electrical-electronic industry. Products include tools that cut, strip, and identify wires and conduits; connectors that splice or terminate wires; markers that label wires; wire fittings; flat cables; flexible circuits.

Divisions and Subsidiaries:

T&B Construction & Industrial Marketing
920 Route 202
Raritan, New Jersey 08869
(201) 685-1600

Thomas & Betts France, S.A.
57, Place de la Seine
Silic 120
94513 Rungis Cedex
France

Thomas & Betts GmbH
6072 Dreieich
Siemenstrasse 11
West Germany

Thomas & Betts S.p.A.
Via Archimede 19
Angolo P. de Labriola
20092 Cinisello Balsamo (Mi)
Italy

Thomas & Betts International, Inc.
Sedgwick Road
Luton LU4 9DT
Bedfordshire, England

Thomas & Betts Limited
Thomas & Betts Maufacturing, Ltd.
P.O. Box 30
700 Thomas Boulevard
Iberville, Quebec J2X 2M9
Canada

Thomas & Betts Pty. Limited
11 Inman Road, Dee Why West
N.S.W.
P.O. Box 91
Brookvale 2100, N.S.W.
Australia

T&B/Ansley Corporation
35 Elizabeth Avenue
Somerset, New Jersey

T&B Japan Ltd.
No. 32 Kowa Bldg.
2-32 Minami Azabu
Minato-Ku, Tokyo 106
Japan

Doylestown Manufacturing Corporation
Old Easton Road
Doylestown, Pennsylvania

Thomas & Betts Aktiebolag
Kanalvagen 1
S19461 Upplands Vasby
Sweden

Thomas & Betts de Mexico, S.A. de CV
Alberto J. Pani 165
Cto. Economistas
Cd. Satellite
Edo de Mexico, Mexico

Thomas & Betts Limited
Thomas & Betts Manufacturing Limited
England

Thomas & Betts (S.E. Asia) Pte. Ltd.
Unit 105, First Floor
Cideco Industrial Complex
50 Genting Lane
Singapore 1334

Thomas & Betts Spain
Pallars, 65-71
Barcelona 18, Spain

Ouest Electronic Connecteurs
1 Place Honore de Balzac
Tour du Moulin Sarrazin 1
B.P. 38
95102 Argenteuil, Cedex, France

Acquisition(s):

Excel Products Company
New Brunswick, New Jersey
Manufactures logic packaging panels, DIP Sockets, and back plane wiring components and systems.

Quelcor, Inc.
P.O. Box 33
Media, Pennsylvania 19063
Flame retardant products.

Transfer Agent(s):

First Fidelity Bank, N.A., New Jersey
Stock Transfer Department
P.O. Box 1309
Newark, New Jersey 07101

Stock Exchange(s): New York

Ticker Symbol: TNB

Number of Employees:

1984	N.A.	1981	3,100
1983	3,000	1980	3,000
1982	2,900		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 322,400,000	$ 39,000,000
1983	278,400,000	27,050,000
1982	255,200,000	23,550,000
1981	268,600,000	33,363,000
1980	254,000,000	32,500,000

	No. of Com. Shares	Earn. per Share ‡
1984	15,533,925	$ 2.51
1983	15,571,156	1.74
1982	15,495,702	1.52
1981	15,483,122	2.16
1980	15,424,172	2.11

+ Adjusted to reflect stock split.
‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	$1.20½	—	2-for-1
1983	1.08	—	—
1982	1.06	—	—
1981	0.96	—	—
1980	0.86	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 212,144,000	$ 13.65
1983	194,580,000	12.52
1982	183,720,000	11.87
1981	177,595,000	11.48
1980	159,748,000	10.37

‡ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 322,400	$ 278,400
Cost of sales	157,896	141,007
Expenses	85,418	77,487
Other income	(2,049)	(685)
Research & develop.	16,990	14,828
Income before taxes	$ 64,145	$ 45,763
Income taxes	25,145	18,713
Net Income	$ 39,000	$ 27,050

* Included in Costs and Expenses, Depreciation: $12,909,000 in 1984 and $10,961,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & invest.	$ 53,049	$ 43,641
Accts. receiv., net	46,205	43,537
*Inventories	85,564	78,238
Deferred inc. taxes	2,708	2,365
Prepaid expenses	2,399	2,625
Current Assets	$ 189,925	$ 170,406
#Fixed assets	74,407	73,537
Defer. charges & other assets	16,853	6,991
Total Assets	$ 281,185	$ 250,934

Liabilities
(000's)

	1984	1983
Notes payable	$ 15,968	$ 10,999
Long-term debt, curr.	558	6,578
Accts. payable	15,091	10,997
Accruals	11,735	9,607
Dividends payable	4,817	4,282
Income taxes	11,926	8,334
Curr. Liabilities	$ 60,095	$ 50,797
Long-term debt	7,926	2,416
Deferred inc. taxes	1,020	3,141
+Common stock	7,904	7,895
Add. paid-in capital	14,858	14,119
Retained earnings	200,746	180,484
For. curr. translation adjustment	(4,840)	(3,442)
Treasury stock	(6,524)	(4,476)
Total Liabilities & Shareholders' Equity	$ 281,185	$ 250,934

* At lower of standard cost or market, and at lower of appropriate year's standard cost or current market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	19.90	16.44
%Net Income to Sales	12.10	9.72
%Net Income to Equity	18.38	13.90
Sales to Inventories	3.77	3.56
Working Capital	$129,830,000	$119,609,000
Current Ratio	3.16	3.35
Shareholders' Equity	$212,144,000	$194,580,000

TII Industries, Inc.

1375 Akron Street
Copiague, New York 11726
(516) 789-5000

Officers: Alfred J. Roach, chairman of the board & chief exec. officer; Timothy J. Roach, president & chief operating officer; Steve L. Takacs, sr. v.p.-operations; Gerald L. Fingerhut, v.p.-finance; C. Bruce Barksdale, v.p.-product development; Dorothy Roach, secretary-treasurer; Frances Giambanco, asst. secretary; H. Ed. Duncan, v.p.-marketing & sales.

Directors: Alfred J. Roach, chairman; Dorothy Roach, Joseph C. Hogan, C. Bruce Barksdale, Timothy J. Roach, James Grover, Jr.

Areas of Work: Produces overvoltage protective devices, uninterruptible power systems and electronic products used in communications industry.

Subsidiaries:

TII Corporation
TII Electronics, Inc.

all at:

TII Industries, Inc.

100 No. Strong Avenue
Lindenhurst, New York 11757

TII Industries, Inc./Puerto Rico

Road 165, Kilometer 1.6
Toa Alta, Puerto Rico 00758

EHV Systems, Inc.
New York, New York
Manufactures uninterruptible power supply systems.

Transfer Agent(s):

Chemical Bank
55 Water Street
New York, New York 10041

Stock Exchange(s): American

Ticker Symbol: TI

Number of Employees:

1984	500

Plant Footage:

1984	60,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income †
1984	$ 32,653,000	$ 2,954,000
1983	23,379,000	(2,150,000)
1982	23,109,000	2,587,000
1981	21,580,000	2,455,000
1980	15,194,000	953,000

	No. of Com. Shares #	Earn. per Share #†
1984	2,927,000	$ 1.01
1983	2,603,000	—
1982	2,668,000	0.97
1981	2,405,000	1.01
1980	2,162,000	0.42

† Including extraordinary gains of $30,000 ($0.01 per share) in 1984, $50,000 ($0.02 per share) in 1983, $80,000 ($0.03 per share) in 1982, $137,000 ($0.05 per share) in 1981 and $162,000 ($0.15 per share) in 1980.

# Based on the weighted average number of shares outstanding adjusted to reflct stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	11-for-10
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 18,185,000	$ 6.21
1983	14,778,000	5.68
1982	16,808,000	6.30
1981	9,049,000	3.76
1980	6,360,000	2.94

† Based on the weighted average number of shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 32,653,000	$ 23,379,000
Cost of sales	20,430,000	14,673,000
Expenses	8,256,000	6,863,000
Research & devel.	1,495,000	1,451,000
Other income	(69,000)	(56,000)
Interest exp.	180,000	166,000
Royalty income	(50,000)	(143,000)
Interest income	(370,000)	(757,000)
Gain on sale of subsid. stock	(1,202,000)	(171,000)
Prov. for write-down of inventory	—	2,805,000
Income (loss) bef. taxes	$ 3,983,000	$ (1,452,000)
Income taxes	190,000	50,000
Eq. in loss of affil.	869,000	698,000
Net Income (Loss)	$ 2,924,000	$ (2,200,000)
Extraord. gain	30,000	50,000
Net Income (Loss) & Extraord. gain	$ 2,954,000	$ (2,150,000)

* Included in Costs and Expenses, Depreciation and Amortization: $1,368,000 in 1984 and $1,155,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 1,552,000	$ 6,594,000
Accts. receiv., net	4,932,000	4,624,000
Other receivables	253,000	315,000
*Inventories	14,987,000	7,702,000
Prepaid expenses	138,000	136,000
Current Assets	$ 21,862,000	$ 19,371,000
Invest. in affil.	107,000	—
#Fixed assets	7,779,000	6,289,000
Other assets	1,955,000	1,726,000
Total Assets	$ 31,703,000	$ 27,386,000

Liabilities

	1984	1983
Notes payable	$ 1,475,000	$ 850,000
Long-term debt, curr.	68,000	85,000
Accts. payable	3,995,000	2,992,000
Accruals & taxes	1,320,000	1,960,000
Curr. Liabilities	$ 6,858,000	$ 5,887,000
Long-term debt	217,000	285,000
Present value of delayed payment	202,000	81,000
Deferred income taxes	160,000	—
Deferred credit	6,081,000	6,355,000
+ Common stock	28,000	27,000
Add. paid-in capital	6,756,000	6,304,000
Retained earnings	11,682,000	8,728,000
Treasury stock	(281,000)	(281,000)
Total Liabilities	$ 31,703,000	$ 27,386,000

* At lower of cost (FIFO) or market.

Less accumulated depreciation and amortization.

+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	12.20	—
%Net Income to Sales	8.95	—
%Net Income to Equity	16.08	—
Sales to Inventories	2.18	3.04
Working Capital	$15,004,000	$13,484,000
Current Ratio	3.19	3.29
Shareholders' Equity	$18,185,000	$14,778,000

Timeplex, Inc.

One Communications Plaza
Rochelle Park, New Jersey 07662
(201) 368-1113

Officers: Edward Botwinick, chairman of the board, president & chief executive officer; Bernard Furman, vice-chairman, secretary & general counsel; John Elich, v.p. & technical dir.; Victoria A. Brown, sr. v.p.-sales; Erwin H. Sloan, v.p.-federal market development; Paul J. Duffy, v.p.-finance; Joseph Wechter, v.p.-operations.

Directors: John Elich, Bernard Furman, Edward Botwinick, William E. Taylor, A. Leon Fergenson, C. Lester Hogan

Areas of Work: Designs, manufactures, sells and services electronic data communications systems and equipment, and produces and distributes data multiplexers. Also produces modems and related communications products, and provides complete data communications systems, which increase the capacity and efficiency of communications facilities by employing advanced, high speed, realtime data processing techniques to collect and combine digital data for transmission at high speeds over communications circuits. They also provide network management, statistical and diagnostic information, supervisory communications capabilities, and high level fault diagnostic capabilities for users.

Divisions and Subsidiaries:

Data Systems Division
Largo, Florida

Timeplex Limited
Brentford & Leeds, England

Timeplex B.V.
Dublin, Ireland

Controleware, GmbH
Frankfurt, West Germany

Timeplex Canada
Toronto, Ontario

Timeplex Europe
Brussels, Belgium

Timeplex Caribe Ltd
Puerto Rico

Transfer Agent(s):

Chemical Bank
Corporate Trust Department
55 Water Street
New York, New York 10041

Stock Exchange(s): New York

Number of Employees:

1984	960	1981	470
1983	745	1980	440
1982	574		

Plant Footage:

1984	240,000 sq. ft.	1981	107,000
1983	235,000	1980	65,000
1982	105,000		

Sales and Earnings

	Revenues +	Net Income
1984	$ 66,022,000	$ 5,666,000
1983	43,670,000	3,443,000
1982	32,183,000	1,329,000
1981	27,096,000	1,685,000
1980	17,491,000	1,356,000

	No. of Com. Shares ‡	Earn. Per Share ‡
1984	8,481,054	$ 0.67
1983	7,567,200	0.45
1982	6,355,973	0.21
1981	6,066,664	0.28
1980	4,788,314	0.28

+ Of continuing operations only.

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	5-for-4
1983	—	—	5-for-4
1982	—	—	—
1981	—	—	**3-for-2**
1980	—	5%	**6-for-5‡**

‡ Distributed Sept., 1980.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 54,457,000	$ 6.42
1983	49,311,000	6.52
1982	22,859,000	3.60
1981	21,188,000	3.49
1980	5,815,000	1.21

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividend and stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 58,147,000	$ 37,834,000
Other revenues	7,875,000	5,836,000
Total revenues	$ 66,022,000	$ 43,670,000
Cost of sales	27,415,000	18,202,000
Expenses	31,276,000	22,440,000
Interest expense	3,082,000	729,000
Interest & other income	(4,604,000)	(2,261,000)
Income before taxes	$ 8,853,000	$ 4,560,000
Income taxes	3,187,000	1,117,000
Net Income	$ 5,666,000	$ 3,443,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,325,000 in 1984 and $1,933,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 1,739,000	$ 1,088,000
Market. securities	45,145,000	31,511,000
Accts. receiv., net	17,508,000	9,950,000
*Inventories	19,456,000	9,875,000
Prepaid expenses	876,000	768,000
Current Assets	$ 84,724,000	$ 53,192,000
#Fixed assets	23,120,000	18,671,000
Other assets	2,800,000	1,614,000
Total Assets	$ 110,644,000	$ 73,477,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 300,000	$ 3,432,000
Accts. payable	4,435,000	2,729,000
Accrued liabilities	7,115,000	3,693,000
Curr. Liabilities	$ 11,850,000	$ 9,854,000
Long-term debt	39,329,000	12,082,000
Deferred inc. taxes	5,008,000	2,230,000
+ Common stock	84,000	67,000
Add. paid-in capital	42,465,000	41,915,000
Retained earnings	14,902,000	9,263,000
Treasury stock	(506,000)	(260,000)
Notes from officers, deferred comp., & cum. for exch. adj.	(2,488,000)	(1,674,000)
Total Liabilities & Shareholders' Equity	$ 110,644,000	$ 73,477,000

* At lower of average cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	15.23	12.05
%Net Income to Sales	9.74	9.10
%Net Income to Equity	10.40	6.98
Sales to Inventories	2.99	3.83
Working Capital	$72,874,000	$43,338,000
Current Ratio	7.15	5.40
Shareholders' Equity	$54,457,000	$49,311,000

Torotel, Inc.

P.O. Box 608
Raymore, Missouri 64083
(816) 331-8400

Officers: Dale H. Sizemore, chairman of the board, president & chief executive officer; Harry A. Morris, secretary; Donald H. Loudon, asst. secretary.

Directors: Dale H. Sizemore, Harry A. Morris, Donn L. Williams, Morton D. Margolis, J. Roderick Heller, III, Thomas L. Lyon.

Areas of Work: Engaged in the engineering, testing and manufacturing of transformers, inductors, toroidal coils, statistical multiplexers, laminated chokes, molded RF chokes, capacitors, molded epoxy products, oscillators, LC filters, and discrete component modules. Also develops and manufactures environmental telecommunications and electrical test equipment.

Subsidiaries:

Halcyon Communications, Inc.
San Jose, California
Engineers, manufactures and markets instruments for the telephone and communication industry, including data-line transmission test equipment and conditioning sets.

Torotel Products, Inc.
Grandview, Missouri
Designs and manufactures magnetic components such as transformers, inductors, and other iron-core components.

Halcyon International, Inc.
San Jose, California

Halcyon W.H.C., Inc.
San Jose, California

Transfer Agent(s):

First National Bank of Kansas City
Kansas City, Missouri

Manufacturers Hanover Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: TTL

Sales and Earnings

	Net Sales	Net Income
1984	$ 30,127,000	$ 826,000
1983	25,490,000	(1,357,000)
1982	22,406,000	212,000
1981	19,737,000	732,000
1980	16,402,177	460,221

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,375,892	$ 0.35
1983	2,348,254	—
1982	2,338,103	0.09
1981	1,786,168	0.41
1980	1,764,121	0.26

(Loss)
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	6%	—
1980	—	6%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 8,654,000	$ 3.64
1983	7,713,000	3.28
1982	8,977,000	3.84
1981	8,616,000	4.82
1980	3,797,066	2.15

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended March 31	1984	1983
Net sales	$ 30,127,000	$ 25,490,000
Cost of sales	17,174,000	14,994,000
Expenses	11,041,000	11,956,000
Interest expense	1,149,000	956,000
Other income	(134,000)	(88,000)
Income (loss) before taxes	$ 897,000	$ (2,328,000)
Income tax (credit)	71,000	(971,000)
Net Income (Loss)	$ 826,000	$ (1,357,000)

* Included in Costs and Expenses, Depreciation and Amortization: $809,000 in 1984 and $791,000 in 1983.

Assets

As of March 31	1984	1983
Cash & cert. of deposit	$ 257,000	$ 447,000
Accts. receiv., net	9,753,000	6,834,000
*Inventories	6,370,000	6,692,000
Other assets	211,000	255,000
Current Assets	$ 16,591,000	$ 14,228,000
#Fixed assets	5,425,000	5,760,000
Other assets	184,000	150,000
Intangibles	319,000	331,000
Total Assets	$ 22,519,000	$ 20,469,000

Liabilities

	1984	1983
Long-term debt, curr.	$ 211,000	$ 4,622,000
Accts. payable	7,700,000	2,945,000
Accruals	1,681,000	1,593,000
Income taxes	31,000	27,000
Deferred income taxes	22,000	—
Curr. Liabilities	$ 12,129,000	$ 9,187,000
Long-term debt	1,736,000	3,569,000
+ Common stock	1,185,000	1,178,000
Add. paid-in capital	7,317,000	7,209,000
Retained earnings (deficit)	163,000	(663,000)
Treasury stock	(11,000)	(11,000)
Total Liabilities & Shareholders' Equity	$ 22,519,000	$ 20,469,000

* At lower of cost or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	2.98	—
%Net Income to Sales	2.74	—
%Net Income to Equity	9.54	—
Sales to Inventories	4.73	3.81
Working Capital	$4,462,000	$5,041,000
Current Ratio	1.37	1.55
Shareholders' Equity	$8,654,000	$7,713,000

Tracor, Inc.

6500 Tracor Lane
Austin, Texas 78721
(512) 926-2800

Officers: Frank W. McBee, Jr., president and chief executive officer; group vice presidents: Jim A. Smith, vice president, treasurer & chief financial officer; Murray Shaw, v.p.-industrial relations; Audrey T. Dearing, corp. secretary; Russell E. Painton, v.p. & gen. counsel; Sheila J. Nagy, gen. mgr.-Traco Publications; Benny E. Jay, v.p.-planning & special products; Judith A. Newby, dir. of public relations; Fred S. Schulte, v.p. & controller; Carl A. Edrington, internal auditor.

Directors: Frank W. McBee, Jr.*, chairman; Marcel E. Gres, Edward Randall, III, J.T. Trotter*, Donald L. Lucas, W.J. Buffo, Kenneth L. Block, Dewuse Guyton, Jr.*, John H. Duncan*, Jim A. Smith*, Charles E. Walker, Walter A. Clements, Norman Hackerman, Bobby R. Inman, William C. Moyer, Sam K. Smith.

* Member of the Executive Committee.

Tracor, Inc.

Divisions and Subsidiaries:

Components Group
800 East Northwest Highway
Des Plaines, Illinois 60016
(312) 824-1188

Production of fuses, fuseholders, circuit breakers, switches, relays, automobile buzzers and flashers, coils, capacitors, controls, anti-skid sensors, color convergence assemblies, indicating lights, potentiometers, blue lateral and purity devices and other electronic and electromechanical components.

Littlefuse, Inc.
Des Planes, Illinois

Littlefuse Tracor, Europe
Utrecht, The Netherlands
Washington, Tyne & Wear, England

Tracor Littlefuse, S.A. de C.V.
Piedras Negras, Mexico

Instruments Group
2551 West Beltline Highway
Middleton, Wisconsin 53562
(608) 831-6511

Product lines include instrumentation classified generally as nuclear, data acquisition, analytical, time and frequency and navigation, and medical.

Austin Instruments Division
Austin, Texas

Tracor Europa, B.V.
Amsterdam, The Netherlands

Tracor Northern
Middleton, Wisconsin

Tracor Westronics
Fort Worth, Texas

Tracor Atlas
Houston, Texas

Tracor X-ray
Mountain View, California

Applied Sciences Group
6500 Tracor Lane
Austin, Texas 78721
(512) 926-2800

Involved in scientific research and development under sponsorship of government agencies and private clients. Its major fields of activity include submarine and surface ship sonar; underwater acoustical surveillance; ocean engineering research and ship support; collection and analysis of medical information related to cancer and occupational safety and health; communications; environmental, social, physical sciences; and safety.

Tracor Marine
Port Everglades, Florida

Analysis & Applied Research Division
Austin, Texas

Electronics Systems Division
Falls Church, Virginia

Systems Technology Division
Rockville, Maryland

Special Programs
Orlando, Florida

Tracor Hydronautics
Laurel, Maryland

Tracor Jitco
Rockville, Maryland

Tracor Marcon, Inc.
Bellevue, Washington

Aerospace Group
6500 Tracor Lane
Austin TX 78721
(512) 926-2800

Manufactures specialized electronic and electromechanical systems including passive electronic countermeasure systems, advanced telecommunications terminals and specialized microprocessors. Also manufactures airborne navigation systems for use in commercial and private aircraft.

Aerospace-Austin
Austin, Texas

Tracor MBA
San Ramon, California

Tracor Radcon
Austin, Texas

Transfer Agent(s):

M Bank-Dallas
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: TRR

Number of Employees:

1984	9,100	1981	7,600
1983	8,300	1980	7,500
1982	7,800		

Sales and Earnings

	Net Sales	Net Income
1984	$ 515,724,000	$ 33,235,000
1983	424,620,000	24,565,000
1982	394,230,000	20,272,000
1981	372,100,000	18,750,000
1980	314,946,000	14,131,000

	No. of Com. Shares ×	Earn. per Share ×
1984	15,427,000	$ 2.15
1983	15,344,000	1.60
1982	14,912,000	1.36
1981	14,809,000	1.27
1980	12,685,000	1.11

× Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business
(000's)

	1984	1983
Defense electronics	$ 340,874	$ 278,707
Instruments	73,242	58,703
Components	101,608	87,210
Total	$ 515,724	$ 424,620

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.34	—	—
1983	0.28	—	5-for-4
1982	0.24	—	5-for-4
1981	0.205	—	3-for-2
1980	0.172	—	5-for-4

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 182,767,000	$ 11.85
1983	153,849,000‡	10.03
1982	127,704,000‡	8.56
1981	112,878,000‡	7.62
1980	94,181,000‡	7.42

‡ After allowing for preferred stock at involuntary liquidation value.
† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 515,724	$ 424,620
Cost of sales	372,095	307,241
Expenses	80,282	69,419
Interest expense	5,401	4,810
income before taxes	$ 58,306	$ 43,150
Income taxes	25,071	18,585
Net Income	$ 33,235	$ 24,565

* Included in Costs and Expenses, Depreciation and Amortization: $17,482,000 in 1984 and $12,847,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 8,480	$ 32,675
Accts. receiv., net	125,154	89,400
*Inventories	59,783	50,587
Prepaid expenses	3,534	2,967
Current Assets	$ 196,951	$ 175,629
Investments & other assets	3,515	3,960
#Fixed assets	135,735	120,717
Defer. charges & intangibles	5,283	5,999
Total Assets	$ 341,484	$ 306,305

Liabilities
(000's)

	1984	1983
Long-term debt, curr.	$ 2,984	$ 7,820
Accts. payable	19,048	17,477
Accruals	32,762	25,961
Income taxes	13,439	13,194
Curr. Liablities	$ 68,233	$ 64,452
Long-term debt	76,785	79,580
Deferred inc. taxes	13,699	8,098
+ Preferred stock	—	13
+ + Common stock	5,156	5,106
Add. paid-in capital	65,390	64,244
Retained earnings	113,795	86,198
Treasury stock	(1,574)	(1,386)
Total Liabilities & Shareholders' Equity	$ 341,484	$ 306,305

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.
+ + $0.33⅓ par value.

Statistical Summary

%Income bef. Taxes to Sales	11.31	10.16
%Net Income to Sales	6.44	5.79
%Net Income to Equity	18.18	15.93
Sales to Inventories	8.63	8.39
Working Capital	$128,718,000	$111,177,000
Current Ratio	2.89	2.72
Shareholders' Equity	$182,767,000	$154,175,000

Transducer Systems, Inc.

1510 Delp Drive
P.O. Box 341
Kulpsville, Pennsylvania 19443
(215) 256-4611

Officers: Michael Nakonechny, chairman of the board, & chief exec. officer; Thomas J. Carduff, president, chief operating officer & secretary; R. Phillip Wallauer, v.p.; Mark J. Kadish, chief financial officer & treasurer.

Directors: Michael Nakonechny, Thomas J. Carduff, Harvey Mahlig, Alfred A. Zollo, Alfred Lifton.

Areas of Work: Designs, manufactures and markets a variety of transducers, which are electronically and electromechanically controlled. Also designs and manufactures complete systems and sub-systems comprised of transducers associated with signal conditioning data.

Transfer Agent(s):

Mellon Bank
Mellon Bank Center
P.O. Box 8337
Philadelphia, Pennsylvania 19102

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TSIC (NASDAQ)

Number of Employees:

1984	250	1981	N.A.*
1983	360	1980	152
1982	130		

*N.A.-Not Available.

Plant Footage:

1984	54,000 sq. ft.	1981	32,000
1983	45,000	1980	32,000
1982	45,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 7,455,000	$ 613,000
1983	6,014,000	471,000
1982	3,752,000	14,000
1981	4,560,000	389,000
1980	4,818,825	441,908

	No.of Com. Shares †	Earn per Share #
1984	1,028,636	$ 0.60
1983	1,028,194	0.46
1982	1,017,480	0.01
1981	971,188	0.38
1980	909,817	0.43

† Adjusted to reflect stock dividend and stock split.
# Based on the average number of shares and common share equivalents outstanding adjusted to reflect stock dividend and stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.02	10%	—
1983	0.02	—	—
1982	0.02	—	—
1981	0.05	—	—
1980	0.05	—	5-for-4

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 2,960,000	$ 2.88
1983	2,364,000	2.30
1982	1,877,000	1.84
1981	1,851,000	1.91
1980	1,470,907	1.62

† Adjusted to reflect stock dividend and stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 7,455,000	$ 6,014,000
Cost of sales	4,288,000	3,361,000
Expenses	1,982,000	1,769,000
Interest expense	178,000	115,000
Other expense (income)	(9,000)	17,000
Income before taxes	$ 1,016,000	$ 752,000
Income taxes	403,000	281,000
Net Income	$ 613,000	$ 471,000

* Included in Costs and Expenses, Depreciation and Amortization: $338,000 in 1984 and $214,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 232,000	$ 197,000
Accts. receiv., net	1,280,000	1,232,000
*Inventories	1,454,000	916,000
Prepaid expenses	81,000	139,000
Current Assets	$ 3,047,000	$ 2,484,000
#Fixed assets	2,707,000	2,327,000
Other receivables	165,000	—
Other assets	2,000	3,000
Total Assets	$ 5,921,000	$ 4,814,000

Liabilities

Notes payable	$ 600,000	$ 260,000
Long-term debt, curr.	150,000	87,600
Accts. payable	253,000	395,000
Accruals	268,000	310,000
Income taxes	219,000	164,000
Curr. Liabilities	$ 1,490,000	$ 1,216,000
Long-term debt	1,352,000	1,158,000
Deferred inc. taxes	119,000	76,000
+ Common stock	103,000	93,000
Add. paid-in capital	1,667,000	1,137,000
Retained earnings	1,190,000	1,134,000
Total Liabilities & Shareholders' Equity	$ 5,921,000	$ 4,814,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	13.63	12.50
%Net Income to Sales	8.22	7.83
%Net Income to Equity	20.71	19.92
Sales to Inventories	5.13	6.57
Working Capital	$1,557,000	$1,268,000
Current Ratio	2.04	2.04
Shareholders' Equity	$2,960,000	$2,364,000

Transidyne General Corporation

3711 Plaza Dr. #4
Ann Arbor, Michigan 48104
(313) 769-1900

Officers: John N. Ackley, chairman, president & treasurer; Margaret K. Beaudet, v.p.-administration, controller, asst. treasurer & secretary.

Directors: John N. Ackley, Henry J. Gomberg, Morton Jaffe, Helene Netter, Philip Goodman.

Areas of Work: Manufactures and markets a line of clinical and electrophysiological products, including scanning densitometers, computing integrators, and RID calibrating viewers; microelectrodes, amplifiers and other signal conditioning electronic instrumentation, as well as display equipment for investigating physiological processes. Also engaged in the production of clinical and electrophysiological items for the O.E.M. business and the production of electronic sub-assemblies.

Transfer Agent(s):

American Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TGCO (NASDAQ)

Number of Employees:

1984	N.A.	1983	29

Plant Footage:

1984	3,200 sq. ft.	1983	17,600

N.A. - Not Available.

Sales and Earnings

	Net Sales †	Net Income ‡
1984	$ 637,383	$ 62,099
1983	1,001,393	63,348
1982	331,851	(455,201)
1981	72,356	(674,387)
1980	70,089	(893,381)

	No. of Com. Shares	Earn. per Share + ‡
1984	2,967,032	$ 0.02
1983	2,967,032	0.02
1982	1,967,032	—
1981	1,645,732	—
1980	1,386,806	—

(Loss)
† Of continuing operations only.
‡ Including extraordinary gains of $13,000 ($0.01 per share) in 1984 and $30,000 ($0.01 per share) in 1983.
+ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 1,852,205	$ 0.62
1983	1,796,571	0.61
1982	94,945	0.05
1981	268,432	0.16
1980	(40,067)	—

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 638,383	$ 1,001,393
Cost of sales	406,004	728,449
Product develop. costs	5,844	11,254
Expenses	173,256	70,300
Interest income	(134,887)	(60,113)
Eq. in loss from unconsol. subsid.	—	41,000
Inc. (loss) bef. taxes	$ 187,166	$ 210,503
Income taxes	71,000	98,000
Inc. - cont. oper.	$ 116,166	$ 112,503
Loss - discont. oper.	(67,067)	(79,155)
Net Income	$ 49,099	$ 33,348
Extraord. gain	13,000	30,000
Net Income & extraord. gain	$ 62,099	$ 63,348

* Included in Costs and Expenses, Depreciation and Amortization: $42,037 in 1984 and $55,181 in 1983.

Assets

As of Nov. 30	1984	1983
Cash	$ 1,558,090	$ 1,185,152
Accts. receiv., net	122,394	288,940
*Inventories	78,598	316,136
Prepaid expenses	25,067	34,733
Current Assets	$ 1,784,149	$ 1,824,961
#Fixed assets	63,522	149,890
Patents pending	42,680	48,788
Total Assets	$ 1,890,351	$ 2,023,639

Liabilities

Accts. payable	$ 16,141	$ 164,105
Payroll taxes payable	261	3,278
Accruals	17,379	44,096
Misc. taxes	4,365	15,589
Curr. Liabilities	$ 38,146	$ 227,068
+ Common stock	296,703	296,703
Add. paid-in capital	4,435,021	4,441,486
Deficit	(2,879,519)	(2,941,618)
Total Liabilities & Shareholders' Equity	$ 1,890,351	$ 2,023,639

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	2.65	1.86
Sales to Inventories	8.11	3.17

Working Capital	$1,746,003	$1,597,893
Current Ratio	46.77	8.04
Shareholders' Equity	$1,852,205	$1,796,571

Transmation, Inc.

977 Mt. Read Boulevard
Rochester, New York 14606
(716) 254-9000

Officers: William J. Berk, president & chief executive; Philip P. Schulp, v.p.-production; Anthony S. Graff, v.p.-manufacturing; John A. Misiazek, v.p.-finance, secretary-treasurer; Lucille M. Milne, asst. secretary.

Directors: William J. Berk, Angelo J. Chiarella, Philip P. Schulp, Gerald R. Katz, Max Eisner, Roy Smart, T. Richard Olney, Robert S. Peterson, Robert G. Klimasewski.

Areas of Work: Engaged in the development and manufacture of electronic interface instruments and digital systems; produces products such as thermocouple dial alarms for monitoring plant warning temperatures, electronic integrators for accurate counting of proportional analog signals, integrated circuit transmitters, field signal indicators, calibration equipment.

Divisions and Subsidiaries:

Instrument Division
Transcat Division
Systems/Computer Division

Transmation (Canada) Inc.
Toronto, Ontario, Canada

Transfer Agent(s):

The National City Bank of Cleveland
Cleveland, Ohio

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TRNS (NASDAQ)

Number of Employees:

1984	179

Plant Footage:

1984	38,000 sq. ft.

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 13,092,895	$ 329,624
1983	11,241,704	(257,339)
1982	10,608,224	539,780
1981	7,276,992	(44,637)
1980	6,182,261	245,765

	No. of Com. Shares †	Earn. per Share # ‡
1984	2,306,782	$ 0.14
1983	2,304,782	—
1982	2,150,040	0.24
1981	2,113,640	—
1980	2,083,640	0.12

(Loss)
† Adjusted to reflect stock splits.
# Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.
‡ Including extraordinary gain of $58,350 ($0.03 per share) in 1982.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	2-for-1
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 2,848,452	$ 1.23
1983	2,500,170	1.08
1982	2,537,624	1.18
1981	1,949,551	0.92
1980	1,975,355	0.95

† Adjusted to reflect stock splits.

Income Account *

Year ended March 31	1984	1983
Net sales	$ 13,092,895	$ 11,241,704
Cost of sales	6,943,588	5,857,309
Expenses	4,374,655	4,769,566
Research & devel.	1,191,695	869,491
Interest expense	118,833	89,627
Income (loss) before taxes	$ 464,124	$ (344,289)
Income taxes (credit)	134,500	(86,950)
Net Income (Loss)	$ 329,624	$ (257,339)

* Included in Costs and Expenses, Depreciation: $117,615 in 1984 and $91,015 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 162,241	$ 100,977
Accts. receiv. net	2,395,122	1,985,064
Income tax refund	—	383,072
*Inventories	1,991,708	2,365,805
Prepaid expenses	243,498	871,416
Current Assets	$ 4,792,569	$ 5,706,334
#Fixed assets	590,176	575,812
Prepaid taxes	74,225	49,725
Other assets	97,015	55,016
Total Assets	$ 5,553,985	$ 6,386,887

Liabilities

Accts. payable	$ 825,474	$ 1,102,133
Accruals	827,135	796,904
Income taxes curr.	456,025	—
Cust. advances	117,892	299,029
Deferred income taxes	49,000	309,000
Curr. Liabilities	$ 2,275,526	$ 2,507,066
Long-term debt	250,000	1,250,000
Deferred compensation	180,007	129,651
+ Common stock	1,153,391	1,152,391
Add. paid-in capital	847,179	789,690
Translation adjust.	9,668	5,425
Retained earnings	994,385	664,761
Treasury stock	(156,171)	(112,097)
Total Liabilities & Shareholders' Equity	$ 5,553,985	$ 6,386,887

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.54	—
%Net Income to Sales	2.52	—
%Net Income to Equity	11.57	—
Sales to Inventories	6.57	4.75
Working Capital	$2,517,043	$3,199,268
Current Ratio	2.11	2.28
Shareholders' Equity	$2,848,452	$2,500,170

Triad Systems Corporation

1252 Orleans Drive
P.O. Box 61779
Sunnyvale, California 94088
(408) 734-9720

Officers: William W. Stevens, chairman of the board & president; Shane E. Gorman, v.p.; Stephen J. LaCommare, v.p.-manufacturing; Stanley F. Marquis, president-TSC Leasing Corporation; Thomas J. O'Malley, Jr., v.p.-administration; Ralph C. Montelius, v.p.-customer service; Robert L. West, group v.p.; Ronald W. Edinger, group v.p. Jerome W. Carlon, v.p. chief financial officer & treasurer; Bruce J. Hansen, v.p.-engineering; David M. Stout, v.p. & gen. mgr.-automotive division, Martha E. Stocker, corporate controller.

Directors: William W. Stevens, chairman; Henry M. Gay, Anthony V. Carollo, Jr., Donald J. Ruder.

Areas of Work: The corporation designs, manufactures markets and services small business computer systems. These systems are fully-packaged industry-specific for use by employees of small business with little or no previous computer experience. The systems are primarily marketed to automotive parts wholesalers, automotive warehouse distributors, retail hardware dealers and independent tire dealers.

Divisions:

Hardgoods Division
Automotive Division
Warehouse Systems Division

Subsidiaries:

TSC Leasing Corporation

Triad Systems Canada, Ltd.
Toronto, Ontario
Canada

TRIDEX Systems, Ltd.
Ealing, London
England

Transfer Agent(s):

Bank of America NT & SA
San Francisco, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TRSC (NASDAQ)

Number of Employees:

1984	1,531	1982	1,363
1983	1,367	1981	1,092

Plant Footage:

1982	150,000 sq. ft.	1981	150,000

Sales and Earnings

	Net Sales & Serv. Rev.	Net Income
1984	$ 120,433,000	$ 4,807,000
1983	90,831,000	2,142,000
1982	82,314,000	3,271,000
1981	78,391,000	8,683,000
1980	56,513,000	5,031,000

	No. of Com. Shares #	Earn. per Share #
1984	7,332,000	$ 0.66
1983	7,365,000	0.29
1982	7,178,000	0.46
1981	6,413,000	1.35
1980	6,242,000	0.81

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$ 66,251,000	$ 9.04
1983	60,632,000	8.23
1982	57,447,000	8.00
1981	28,141,730	4.39
1980	17,839,759	2.86

Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales & serv. rev.	$ 120,433	$ 90,831
Cost of sales & serv.	63,228	46,144

Expenses:		
Marketing	36,872	34,119
Prod. develop.	10,921	10,814
Gen. & adm.	7,301	5,151
Interest expense (income)	640	(1,618)
Income from nonconsol. subsid.	(5,527)	(6,458)
Income before taxes	$ 6,998	$ 2,679
Income taxes	2,191	537
Net Income	$ 4,807	$ 2,142

* Included in Costs and Expenses, Depreciation and Amortization: $6,466,000 in 1984 and $4,199,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & cash equiv.	$ 2,636	$ 21,691
Accts. receiv., net	20,354	17,744
*Inventories	27,245	14,201
Deferred inc. taxes	7,896	6,209
Prepaid expenses	1,603	2,488
Current Assets	$ 59,734	$ 62,333
Service parts	6,455	4,447
#Fixed assets	33,928	15,803
Invests & adv. to subsid.	25,880	20,353
Other assets	4,918	447
Total Assets	$ 130,915	$ 103,383

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 9,701	$ 1,206
Accts. payable	5,069	5,905
Accrued emp. comp.	6,869	4,962
Prod. warr. costs	1,107	2,217
Other curr. liab.	5,738	2,479
Curr. Liabilities	$ 28,484	$ 16,769
Long-term debt	8,517	1,746
Deferred inc. taxes	27,663	24,236
+ Common stock	36,128	35,393
Note receiv. for common stock	(20)	(28)
Retained earnings	30,007	25,200
Translation adjust.	136	67
Total Liabilities & Shareholders' Equity	$ 130,915	$ 103,383

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.81	2.95
%Net Income to Sales	3.99	2.36
%Net Income to Equity	7.26	3.53
Sales to Inventories	4.42	6.40
Working Capital	$31,250,000	$45,564,000
Current Ratio	2.10	3.72
Shareholders' Equity	$66,251,000	$60,632,000

Trion, Inc.

P.O. Box 760
101 McNeill Road
Sanford, North Carolina 27331
(919) 775-2201

Officers: Hugh E. Carr, president & chief executive officer; William P. Glaser, Daniel H. Kassick, vice presidents; Gary H. Cox, gen. sales mgr.-engineered products; J.M. Grant, managing director-Trion, Ltd.; John M. King, general sales manager-consumer prods.; Don F. Schreiner, managing dir.-planning; Robert L. Strouth, gen. mgr.-Trion Canada, Inc.; Roy G. Stephens, dir. of mfg.; J. Gary Waters, controller; Harold Feder, asst. treas.; Dorothy R. Howell, asst. sec.; Robert H. Petty, director of engineering.

Directors: Hugh E. Carr, Thomas P. Johnson, Seddon Goode, Jr., Grant R. Meyers, Robert K. Wagner, James E. Heins, Samuel J. Wornom, III.

Areas of Work: Engaged in the design, manufacture, and distribution of electrostatic precipitating equipment, primarily used in conjunction with central ventilating systems or as self-contained units to remove particulate matter from circulating air.

Subsidiaries:

Trion Ltd. (90% owned)
Brunel Gate, West Portway Industrial Estate
Andover, Hampshire, England

Trion Canada, Inc.
Kitchener, Ontario

Trion GmbH
Kerpen-Tuernick, West Germany

Transfer Agent(s):

First Union National Bank
Charlotte, North Carolina

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TRON (NASDAQ)

Plant Footage:

1984	N.A.	1981	111,000
1983	N.A.	1980	100,000
1982	122,000		

N.A.-Not Available.

Sales and Earnings

	Revenues	Net Income
1984	$ 20,802,000	$ 1,550,000
1983	20,808,000	2,015,000
1982	18,522,000	1,537,000
1981	13,536,495	1,319,829
1980	9,214,535	817,584

	No. of Com. Shares #	Earn. per Share #
1984	3,220,659	$ 0.48
1983	3,214,121	0.63
1982	3,194,796	0.48
1981	3,184,894	0.41
1980	3,145,734	0.26

# Based on the average number of common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend #	Stock Dividend	Stock Split
1984	$0.0875	—	—
1983	0.078	—	2-for-1
1982	0.066	—	3-for-2
1981	0.05	—	2-for-1
1980	0.04	—	—

# Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity ‡	Equity Per Share †
1984	$ 9,954,684	$ 3.09
1983	8,737,684	2.71
1982	7,059,169	2.20
1981	5,809,716	1.82
1980	4,616,851	1.46

‡ After allowing for preferred stock at a redemption value of $7 per share.
† Adjusted to reflect stock splits.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 20,687,000	$ 20,668,000
Other income	115,000	140,000
Total income	$ 20,802,000	$ 20,808,000
Cost of sales	13,101,000	12,227,000
Expenses	5,343,000	4,773,000
Income before taxes	$ 2,358,000	$ 3,808,000
Income taxes	808,000	1,793,000
Net Income	$ 1,550,000	$ 2,015,000

* Included in Costs and Expenses, Depreciation: $423,000 in 1984 and $260,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash & cash equivalents	$ 653,000	$ 1,435,000
Accts. receiv., net	5,423,000	4,041,000
*Inventories	5,134,000	4,286,000
Prepaid expenses & other current assets	141,000	142,000
Current Assets	$ 11,351,000	$ 9,904,000
#Fixed assets	7,820,000	2,584,000
Total Assets	$ 19,171,000	$ 12,488,000

Liabilities

Long-term debt, curr.	$ —	$ 55,000
Note payable	979,000	—
Accts. payable & accruals	2,198,000	1,951,000
Income taxes	175,000	547,000
Curr. Liabilities	$ 3,352,000	$ 2,553,000
Long-term debt	5,000,000	465,000
Deferred inc. taxes	786,000	654,000
+ Preferred stock	56,000	56,000
+ + Common stock	1,611,000	1,609,000
Add. paid-in capital	592,000	582,000
Retained earnings	8,042,000	6,776,000
Currency transl. adj.	(268,000)	(207,000)
Total Liabilities & Shareholders' Equity	$ 19,171,000	$ 12,488,000

* At lower of cost (FIFO or LIFO) or market.
# Less accumulated depreciation and amortization.
+ $5 par value; 5% cumulative.
+ + $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	11.40	18.42
%Net Income to Sales	7.49	9.75
%Net Income to Equity	15.45	22.86
Sales to Inventories	4.03	4.82
Working Capital	$ 7,999,000	$7,351,000
Current Ratio	3.39	3.88
Shareholders' Equity	$10,033,000	$8,816,000

TRW Inc.

23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-2121

Officers: Ruben F. Mettler, chairman of the board & chief exec. officer; Stanley C. Pace, vice chairman of the board; J.T. Gorman, president & chief operating officer; Charles R. Allen, exec. v.p. & chief financial officer; Edward V. Troth, v.p. and assistant to the chief financial officer; Frank H. Kettle, v.p. & controller; Robert B. Perkovic, v.p. & treasurer; Edward N. Button, v.p.-investments; Martin A. Coyle, v.p., general counsel & secretary; W.E. Gallas, Kenneth G. Preston, William B. Lawrence; v.p.'s & asst. general counsels; Thomas J. Fay, v.p.-communications; Robert D. Lundy, v.p.-public relations & advertising; Michael Monroney, v.p.-government relations; Chris G. Petrow, v.p.-TRW Europe Inc.; John S. Foster

Jr., v.p.-science & technology; Arden L. Bement Jr., v.p.-technical resources; E.A. Steigerwald, v.p.-productivity; John M. Groocock, v.p.-quality; George A. Harris, v.p.-material; Gustave E. Schrader, v.p.-manufacturing; Archie L. Wood, v.p.-information resources; Jack B. Gearhart, v.p.-new headquarters project; Stanley V. Intihar, v.p.-planning & development; Edward M. Foley, v.p.-development; Arvind M. Korde, v.p.-planning; Jeffrey P. Wilkins, v.p.-human resources; Howard V. Knicely, v.p.-human relations; Bob B. Hauserman, v.p.-personnel programs; Robert G. McCarty, v.p.-employee relations; Ray N. Olson, v.p.-compensation & benefit systems.

Directors: Charles R. Allen, Ruben F. Mettler, Stanley C. Pace, Jack S. Parker, Simon Ramo, H. Guyford Stever, Alastair F. Down, Charles E. Spahr, W.H. Krome George, E. Bradley Jones, Charles T. Duncan, Martin Feldstein, William F. Kieshnick, William, S. Kiser, Joseph T. Gorman.

Areas of Work:

Car & Truck

A range of steering, engine, safety, hydraulic, chassis, electrical, electronic, and other parts for passenger cars, trucks, buses, farm machinery and off-highway vehicles, sold to original equipment manufacturers and a variety of replacement parts distributors.

Products include manual and power rack and pinion steering gears, occupant safety systems, engine valves, hydraulic motors, hydraulic truck and off-highway vehicle steering systems, suspension systems, electronic monitoring and control systems, and a service line of cars and trucks accessories, tools and car care products.

Electronics & Space Systems

Electronic components, including large-scale integrated circuits, capacitators, connectors, motors, resistors, semiconductors, inductors, power supplies, and optoelectronic products, used in the telecommunications, computer, instrumentation, telecommunications and automotive industries.

Computer-based and analytical services, including software systems and analytical services for space and defense; also computer-based services for consumer and business credit and real estate information credit markets.

Electronic systems, equipment, and services for defense and space applications, related research and analysis, and maintenance and support services.

Spacecraft, including the design and manufacture of spacecraft and their subsystems and components, for defense, scientific research, and communications.

Industrial & Energy

Fasteners, tools, and bearings, including metal and plastic fasteners, electromechanical assemblies, stud welding systems, ball and roller bearings, and expendable cutting sold to a variety of industrial and energy-related users.

Pumps, valves, and energy services, including submergible electric pumping systems, solids control equipment, power cables, valves, pumps, pump parts and drilling tools for oil and gas exploration, production, pipeline transmission, and other industrial purposes, parts for nuclear reactors and turbines, planning and management support services, and research for government and commercial markets.

Aircraft parts, including turbine and compressor airfoils, fuel and booster pumps, and propellers for commercial and military aircraft.

Divisions and Subsidiaries:

TRW Electronic Components Group
2525 East El Segundo Boulevard
El Segundo, California 90245
(213) 536-0600

Printed Circuit Division
200 South Turnbull Canyon Road
City of Industry, California 91749
(213) 333-1201
Products: Etched circuit boards, single, double-sided and multilayer circuits available with various hardware and heat sinks.

Active Components Division
2525 East El Segundo Blvd.
El Segundo, California 90245
(213) 535-1831
Products: A/D converters, D/A converters, multiplier-accumulators, shift registers and correlators.

Optoelectronics
1201 Tappan Circle
Carrollton, Texas 75006
(214) 242-6571
Products: Light-emitting diodes, photo sensors, optocouplers and assemblies.

Lawndale, California 90260
(213) 536-0888
VHF and UHF microwave power transistors; linear amplifiers; lownoise transistors; power switching transistors; power amplifiers and darlingtons; doubleslug, avalanche, Schottky, and zener diodes.

LSI Products Division
4243 Campus Point Court
San Diego, California 92121
(619) 457-1000
Data converters, arithmetic products, and special processors.

TRW Connective Components
1501 Morse Avenue
Elk Grove Village,Illinois 60007
(312) 981-6010

Connector Division
1501 Morse Avenue
Elk Grove Village, Illinois 60007
(312) 981-6000
Products: Connectors, interconnection systems, IC sockets, relay sockets, and tube sockets, terminal strips, barrier blocks, and crimp terminals.

Cylindrical Connector Division
8821 Science Center Drive
New Hope, Minnesota 55428
(612) 537-1010
Aircraft and military cylindrical connectors.

TRW Electro Magnetic Components
380 West Palatine Road
Wheeling, Illinois 60090
(312) 537-1010

TRW Capacitor Division
301 West O Street
Ogallala, Nebraska 69153
(308) 284-3611
Products: Film, metalized film, and tantalum capacitors, molded diodes, rectifiers,and power transistors. Ceramic capacitors, film capacitors, voltage multipliers.

Motor Division
1554 Hayes Drive
Manhattan, Kansas 66502
(913) 776-0721
Products: DC permanent magnet and wound-field hysteresis and induction type motors and other motorized devices, including actuators, pumps blowers and integral gear trains.

Inductive Products Division
380 West Palatine Road
Wheeling, Illinois 60090
(312) 541-0300
Products: Assemblies (AFC-pin cushion circuit, convergence circuit), coils (bobbin, color punty-convergence, IF or IFT, peaking, RF chokes, shielded IF, variable, insert molded), transformers (IF, RF, pin cushion correctors); yokes (color convergence).

TRW Resistive Products Division
401 North Broad Street
Philadelphia, Pennsylvania 19108
(215) 922-8900
Products: Resistors (carbon, metal film, wirewound, fire-proof, flameproof); variable resistors (carbon and wirebound trimmers, rotary selector switches); and connectors (barriers, connectors, plugs and sockets).

TRW Datacom International Inc.

TRW Communications Group
Suite 1812
10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-6777

TRW Datacom Inc.
Suite 1812, 10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-9861
Worldwide sales and services for data processing, word processing, and communicationss equipment.

TRW Customer Service Division
15 Law Drive
Fairfield, New Jersey 07006
(201) 575-7110
Maintenance service for electronic equipment.

TRW Vidar Division
77 Ortega Avenue
Mountain View, California 94040
(415) 961-1000
Transmission systems for voice and data applications. Switching systems for telephone accounting management and control; digital switching systems for local and toll telephone switching offices.

TRW Systems & Energy:

TRW Defense Systems Group
One Space Park
Redondo Beach, California 90278
(213) 536-1776

TRW Space & Technology Group
One Space Park
Redondo Beach, California 90278
(213) 535-3478

Applied Technology Division
One Space Park
Redondo Beach, California 90278
(213) 535-3478
Electro-optical and instrument systems, propulsion subsystems, high-energy lasers and laser technology, advanced payloads technology, and research in the physical sciences.

Defense Projects Division
One Space Park 92-2385
Redondo Beach, California 90278
(213) 535-4567
Management of special projects.

Program Management Division
One Space Park R5-2090
Redondo Beach, California 90278
(212) 535-1302
Management of major space systems programs and projects: new business development in space systems area including special projects, manned space systems, science and applications satellite systems, and communication satellite systems.

Spacecraft Engineering Division
One Space Park R4-2198
Redondo Beach, California 90278
(213) 535-2991
Engineering of spacecraft equipment and subsystems including structural, thermal, electric power, command and control, attitude control, and spacecraft electromechanical and attitude sensor subsystems.

Test & Field Operations Division
One Space park R4-2098
Redondo Beach, California 90278
(213) 535-2563
Spacecraft assembly and test, system test planning, ground support systems design and development, environmental test facilities, and launch and orbital operations.

TRW Electronic Systems Group
One Space Park
Redondo Beach, California 90278
(213) 536-2421

TRW Electronic Products, Inc.
3600 N. Nevada Avenue
Colorado Springs, Colorado 80907
(303) 475-0660

Digital and RF communications systems, multiplexers, signal processors, receivers, transmitters, and dc/dc converters for military application.

Military Electronics Division
One Space Park
Redondo Beach, California 90278
(213) 536-1187
Military communications and electronic warfare systems and subsytems for avionic, ground and shipborn applications.

Space Communication Division
One Space Park
Redondo Beach, California 90278
(213) 536-1306
Spacecraft electronics and communications systems, subsystems, and components.

TRW Energy Development Group
One Space Park
Redondo Beach, California 90278
(213) 535-1335

Energy Technology Division
One Space Park
Redondo Beach, California 90278
(213) 535-1680
Research and development in fossil, chemical and nuclear energy technologies and energy systems engineering. General chemical technology support services.

Major Programs Division
One Space Park
Redondo Beach, California 90278
(213) 536 3725
Coalbed Methane production, Heavy Oil and tar sands recovery, combustion systems and applied research.

TRW Microwave Products Inc.
825 Stewart Drive
Sunnyvale, California 94086
(408) 732-0880
Solid state microwave components for military and commercial communications and avionics.

Spacecraft Engineering Division
One Space Park
Redondo Beach, California 90278
(213) 535-2991
Spacecraft design fabrication, integration, test and launch activities. Systems engineering of communication and scientific spacecraft systems including ground stations.

ESL Incorporated
495 Java Drive
Sunnyvale, California 94086
(408) 743-6171
Design and development of data systems for communications and defense applications.

TRW Ballistic Missiles Division
P.O. Box 1310
San Bernardino, California 92402
(714) 382-5175
Minuteman and MX Programs.

Software & Information Systems Division
One Space Park
Redondo Beach, California 90278
(213) 536-3525
Systems for mission data processing, mission planning and control, and for electronic information systems.

Systems Engineering & Applications Division
7600 Colshire Drive
McLean, Virginia 22102
(703) 734-6200
Systems engineering and technical support services in the fields of antisubmarine warfare; undersea surveillance; command, control, and communications; and logistics.

Systems Engineering & Development Division
One Space Park
Redondo Beach, California 90278
(213) 217-3003
Systems for tactical data fusion; command, control and communications; avionics; and laser applications; and for hardness and survivability engineering, high energy electronic and mechanical design, and ground systems engineering.

TRW Equipment Group
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-2121

Compressor Components
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 692-5200
Forging and machining jet engine compressor components, steam turbine blading and heavy-duty gas turbine blading.

Turbine Airfoils
1400 North Cameron Street
Harrisburg, Pennsylvania 17105
(717) 255-3400
Forging and machining turbine blades and vanes for aircraft engines, stationary gas and steam turbine engines, industrial power and marine engines. Refurbishment of aircraft and land based turbine engine components. Precision investment castings for use in aircraft engines and airframes, gas and steam turbines, industrial, marine and vehicular turbines, and high performance super-alloys for operation in corrosive or extreme temperature environments. Ceramic materials and preformed ceramic cores for investment casting industry; quartz crucibles and quartz rods and tubes. New investment casting process development.

TRW Power Accessories
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 692-5300
Design, development, manufacture, assembly and test of aircraft and engine fuelpumps, accessories, underwater propulsion systems, control rod drive mechanisms and structural components for nuclear reactors.

TRW Materials & Manufacturing
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 383-3147
Research, development and engineering in materials, products and processes. Metallurgical and chemical services.

Castings Division
P.O. Box 250
3860 Union Avenue, S.E.
Minerva, Ohio 44657
(216) 868-6441
Precision investment castings for gas turbine aircraft engines, gas turbine, industrial and marine vehicular turbines, and high-performance superalloys for operation in corrosive and extreme temperature environments.

Ceramics Division
23555 Euclid Avenue
Cleveland, Ohio 44117
(216) 692-5400
Ceramic materials and preformed ceramic cores for investment castings serving the aircraft industry; electronic-grade quartz crucibles, quartz rods and quartz tubes for high-alloy investment casting industry, final finishing of ceramic cores.

Hartzell Propeller Products
1800 Covington Avenue
Piqua, Ohio 45356
(513) 778-4210
Design, development and manufacture of aircraft propeller assemblies, propeller governors and tachometers.

TRW Industrial & Replacement.

TRW Energy Products Group
30050 Chagrin Boulevard
Cleveland, Ohio 44124
(216) 292-1100

Brandt Solids Control Division
P.O. Box 22368
3100 Weslayan, Suite 400
Houston, Texas 77227
A complete line of solids control eqipment for the petroleum drilling industry. Applications include the cleaning of drilling fluids and gas separation for both on shore and offshore use.

Oilwell Cable Division
P.O. Box 945
2400 Packer Road
Lawrence, Kansas 66044
(913) 841-5610
Electric cable for powering submergible oil pumps.

TRW Subsea Petroleum Systems Inc.
3673 West Center Drive
Houston, Texas 77042
(713) 978-6666
Engineering and manufacture of hydraulic and electrohydraulic control systems for subsea oil production and drilling operations. System engineering, integration, and analysis for subsea production completion.

TRW Pleuger
A Division of TRW
P.O. Box 989
Statesville, North Carolina 28677
(800) 872-2468
Multistage submersible pumps with directly-coupled water lubricated motors for municipal, industrial and agricultural water supply; large capacity axial flow pumps for water level control system, flood control, dewatering applications and power plants; maneuvering equipment for ships and thruster equipment for dynamic positioning of ships. Submersible motors for marine technology applications.

Mission Drilling Products Division
P.O. Box 40420
Houston, Texas 77240
(713) 460-6200
Provides products and services for the oil/gas exploration and prodution market.

Reda Pump Co.
P.O. Box 1181
Fourth and Dewey
Bartlesville, Oklahoma 74005
(918) 661-2000
A complete line of submergible electrically driven, multistage centrifugal pumps.

TRW Assemblies & Fasteners Group
30000 Chagrin Boulevard
Cleveland, Ohio 44124
(216) 292-1100

TRW Fasteners Division
31 Ames Street
Cambridge, Massachusetts 02142
(617) 494-5500
Metal and plastic fasteners, electromechanical assemblies, and DOT clothing fasteners.

TRW Nelson Stud Welding Division
28th Street and Toledo Avenue
Lorain, Ohio 44055
(216) 245-6931
Standard and automatic stud welding systems and related stud fasteners.

United-Carr Division of TRW Canada Limited
455 Arvin Avenue
Stoney Creek, Ontario, Canada L8G 3Y4
(416) 664-4401
Relays, timing devices, electromechanical assemblies, combination locks, deep draw metal parts and stampings.

TRW Information Services
505 City Parkway West
Orange, California 92668
(714) 937-2000

TRW Information Services
505 City Parkway West
Orange, California 92668
(714) 937-2000
Provides consumer and commercial credit reporting services on a nationwide basis to credit-granting organizations. Markets a broad range of information services to the real estate and financial industries.

HW Systems
16134 Hart Street
Van Nuys, California 91406
(213) 988-1830
Computerized on-line access to title, tax, and real property information to title companies and lending institutions.

TRW Operations & Support Group
One Space Park
Redondo Beach, California 90278
(213) 535-1655

Administrative Services Division
One Space Park
Redondo Beach, California 90278
(213) 536-1035
Facilities management; administrative operations; material procurement and management; and security, safety, and health management services.

Financial & Data Services Division
One Space Park
Redondo Beach, California 90278
(213) 535-0498
Management Systems, information processing, accounting services and financial planning activities.

Manufacturing Division
One Space Park
Redondo Beach, California 90278
(231) 535-6460

Mechanical and electronic manufacturing activities for Defense Systems Group, Electronic Systems Group, Space & Technology Group, and Energy Development Group.

Threading Tools Division
Sanderson Street
Greenfield, Massachusetts 01301
(413) 773-3611

Greenfield Plant
Sanderson Street
Greenfield, Massachusetts 01301
(413) 773-3611
Greenfield brand high-speed and carbon taps and dies and precision gauges.

New Haven Plant
Blake and Valley Streets
New Haven, Connecticut 06515
(203) 387-2525
Geometric thread-cutting die heads, collapsible and solid adjustable taps, chasers, thread rolling heads, and annular dies.

TRW Industrial Products Group
30050 Chagrin Boulevard
Cleveland, Ohio 44124
(216) 292-1100

Bearings Division
402 Chandler Street
Jamestown, New York 14701
(716) 661-2600
MRC brand ball bearings, roller bearings and specialty steel balls for passenger cars, trucks, tractors, off-the-road machinery, power transmission machinery, office machines, computers, machine tools, electric motors, jet engines, nuclear power and other industrial applications.

Carbide Division
P.O. Box 9
205 North 13th Street
Rogers, Arkansas 72756
(501) 636-1515

Bentonville Plant
P.O. Box 488
1602 East Central
Bentonville, Arkansas 72712
(501) 636-1515
Wendt-Sonis brand carbide-tipped and solid carbide drills, reamers, end mills, milling cutters.

Rogers Plant
P.O. Box 9
205 North 13th Street
Rogers, Arkansas 72756
(501) 636-1515
Wendt-Sonis brand carbide inserts and blanks, tool holders, wear parts, mining compacts, and basic carbide powders.

Drill & End Mill Division
P.O. Box 2587
Augusta, Georgia 30913
(404) 863-7708

Augusta Plant
P.O. Box 2587
470 Old Evans Road
Augusta, Georgia 30913
(404) 863-7708
Chicago-Latrobe brand and private label high speed drills, reamers and countersinks. Putnam brand high-speed end mills.

Clemson Plant
P.O. Box 872
Clemson, South Carolina 29631
(803) 654-4922
Chicago-Latrobe brand and private label high-speed drills.

Detroit Plant
2981 Charlevoix Avenue
Detroit, Michigan 48207
(313) 579-2219
Putnam brand high-speed end mills.

Hand Tools Division
400 Vulcan Street
Buffalo, New York 14207
(716) 875-3200

Buffalo Plant
400 Vulcan Street
Buffalo, New York 14207
(716) 875-3200
Williams brand wrenches, sockets and accessories, c-clamps, hoist hooks, eye bolts, machine shop tools, commercial forgings and extrusions.

Columbus Plant
6969 Jamesson Road
Columbus, Georgia 31904
(404) 563-9590
Williams brand socket wrenches, accessory drive tools and cold steel extrusions.

Vulcan Tools
2300 Kenmore Avenue
Buffalo, New York 14207
(716) 873-5150
Mobil dealer sales of 3,000 items used in automotive aircraft, marine service and related fields, including Vulcan brand wrenches and hand tools, electric and pneumatic power tools, wheel aligning equipment, battery chargers, tune-up equipment and similar items.

TRW Automotive Aftermarket Group
30000 Aurora Road
Solon, Ohio 44139
(216) 292-8813

Niehoff Automotive Products Division
4925 W. Lawrence Avenue
Chicago, Illinois 60630
(312) 283-3400
Automotive ignition wire and cable and brake parts for the replacement markets. Heavy-duty brushless alternators for original equipment and replacement markets.

Replacement Parts Division
8001 East Pleasant Valley Road
Cleveland, Ohio 44131
(216) 447-1879
National distribution of TRW automotive replacement parts for passenger cars, heavy and light trucks and industrial applications. Sales through warehouse distributors and jobbers, mass merchandisers, private brand accounts, and specialty outlets, including railroad, gas and oil transmission industries.

TRW Chassis Components Group
30000 Aurora Road
Solon, Ohio 44139
(216) 292-8807

Steering & Suspension Division
34201 Van Dyke Avenue
Sterling Heights, Michigan 48077
(313) 977-1000
Steering linkage, suspension ball joints and assemblies, manual and power rack and pinion steering gears.

TRW Engine Components Group
30000 Aurora Road
Solon, Ohio 44139
(216) 292-8804

Ramsey Corporation
1233 Manchester Road
Manchester, Missouri 63011
(314) 394-3700
Piston rings and industrial retaining rings.

Valve Division
1455 East 185th Street
Cleveland, Ohio 44110
(216) 383-2121
Engine valves, valve seat inserts, valve retainers, valve retainer locks, valve rotating mechanisms, and forged pistons.

TRW Transportation Electrical & Electronics Operations
30000 Aurora Road
Solon, Ohio 44139
(216) 248-0700

Dynalco Controls Division
P.O. Box 8187
5200 N.W. 37th Avenue
Fort Lauderdale, Florida 33310
(305) 739-4300
Electronic monitors and controls, sensors and displays, primarily for stationary engines.

Eagle Controls Division
1405 Fullerton Avenue
Addison, Illinois 60101
(312) 495-4180
Electronic monitors and controls, sensors and displays for agricultural and construction vehicles, including transmissions.

Transportation Electronics Division
24175 Research Drive
Farmington, Michigan 48024
(313) 478-7210
Electronic controls, sensors, and displays for passenger cars, trucks, and buses, including engines and transmissions.

TRW General Components Group
30000 Aurora Road
Solon, Ohio 44139
(216) 292-8810

Castings Division
1600 South Eighth Street
Noblesville, Indiana 46060
(317) 773-3313
Ductile and grey iron castings.

Ross Gear Division
P.O.Box 60
800 Heath Street
Lafayette, Indiana 47902
(317) 423-5377
Manual and power steering gears and components for trucks, farm equipment, construction and industrial equipment, low-speed high-torque hydraulic motors and gear pumps.

Thompson Products Division
TRW Canada Limited
P.O. Box 3004
230 Louth Street
St. Catharines, Ontario, Canada L2R 7B5
(416) 685-8411
Engine valves, steering linkage, suspension ball joints and assemblies. Distributor for Thompson and Ramco automotive replacement parts, MRC brand bearings, and J.H. Williams brand tools. Drill bits and rods for the mining and construction industries.

Transfer Agent(s):

TRW Inc.
Cleveland, Ohio

Morgan Guaranty Trust Company of New York
New York, New York

Stock Exchange(s): New York, Midwest, Pacific, Philadelphia. The Stock Exchange of Great Britain and Ireland, Frankfurt.

Ticker Symbol: TRW

Number of Employees:

1984	93,524	1981	91,914
1983	88,374	1980	94,051
1982	85,099		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 6,061,691	$ 266,842
1983	5,492,998	205,160
1982	5,131,872	196,260
1981	5,285,133	229,000
1980	4,983,970	204,000

	No. of Com. Shares	Earn. per Share #
1984	36,812,000	$ 7.14
1983	36,360,000	5.53
1982	35,330,000	5.49
1981	33,257,000	- 6.60
1980	32,010,000	6.15

Based on the weighted average number of common shares and common stock equivalents.

Revenues By Line of Business

	1984 (000's)	1983 (000's)
Car & truck:		
Orig. equip.	$ 1,268,000	$ 1,123,000
Replacement equip.	512,000	472,000
Electronics & space systems:		
Electronic components	484,000	396,000
Computer-based & analytical serv.	869,000	729,000
Electronic systems, equip. & serv.	931,000	851,000
Spacecraft	620,000	628,000
Industrial and energy:		
Fasteners, tools & bearings	533,000	486,000
Pumps, valves & energy serv.	433,000	394,000
Aircraft components	412,000	414,000
Total	$ 6,062,000	$ 5,493,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.85	—	—
1983	2.65	—	—
1982	2.55	—	—
1981	2.35	—	—
1980	2.15	—	—

Common Stock Equity

	Total Equity † (000's)	Equity Per Share
1984	$ 1,721,328	$ 46.76
1983	1,572,979	43.27
1982	1,458,451	41.28
1981	1,321,646	39.74
1980	1,174,000	36.68

† After allowing for serial preference stock II at aggregate involuntary liquidation price.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 6,061,691	$ 5,492,998
Other income	77,928	64,593
Total Income	$ 6,139,619	$ 5,557,591
Cost of sales	4,657,446	4,285,140
Expenses	921,557	840,597
Interest expense	56,267	29,768
Other expenses	45,499	37,249
Income before taxes	$ 458,850	$ 364,837
Income taxes	192,008	159,677
Net Income	$ 266,842	$ 205,160

* Included in Costs and Expenses, Depreciation: $214,788,000 in 1984 and $193,154,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & market. secur.	$ 80,662	$ 245,196
Accts. receiv., net	948,828	840,997
*Inventories	633,597	593,773
Prepaid expenses	31,119	29,896
Current assets	$ 1,694,206	$ 1,709,862
#Fixed assets	1,388,357	1,200,752
Other assets	202,858	192,632
Intangibles	195,194	218,137
Total Assets	$ 3,480,615	$ 3,321,383

Liabilities
(000's)

	1984	1983
Notes payable	$ 97,920	$ 90,668
Long-term debt, curr.	70,327	42,334
Accts. payable	245,562	222,830
Accruals	548,026	520,772
Income taxes	81,342	55,364
Deferred inc. taxes	43,052	139,304
Curr. Liabilities	$ 1,086,229	$ 1,071,272
Long-term debt	256,535	255,598
Minority interest	3,683	6,309
Deferred inc. taxes	375,840	372,225
Preferred Stock:		
+ Serial preference II	1,714	2,002
+ + Common stock	46,015	45,451
Add. paid-in capital	204,614	195,026
Retained earnings	1,582,764	1,425,295
Cumulative trans. adjust.	(76,779)	(51,795)
Total Liabilities & Shareholders' Equity	$ 3,480,615	$ 3,321,383

* At lower of cost (53% in 1983 & 51% in 1982 at LIFO; remainder at FIFO) or market.
# Less accumulated depreciation.
+ $2.75 stated value.
+ + $1.25 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	7.57	6.64
%Net Income to Sales	4.40	3.73
%Net Income to Equity	15.18	12.70
Sales to Inventories	9.57	9.25
Working Capital	$ 607,977,000	$638,590,000
Current Ratio	1.56	1.60
Shareholders' Equity	$1,758,328,000	$1,615,979,000

Tyco Laboratories, Inc.

Tyco Park
Exeter, New Hampshire 03833
(603) 778-7331

Officers: John F. Fort, chairman of the board, president & chief exec. officer; Joshua M. Berman, secretary; John J. Guarnieri, treasurer; Irving Gutin, v.p. & gen. counsel; Richard D. Power, v.p.-finance; James T. Gard, v.p.-operations; William A. Hartley, v.p.-tax counsel; John D. Ryder, controller.

Directors: John F. Fort, Joshua M. Berman, Raymond L. Bisplinghoff, Stephen W. Foss, Richard B. Nichols, W. C. Westmoreland.

Areas of Work: Manufactures fire protection systems, precision printed circuit boards in one-sided, two-sided and multilayer configurations for computers and telecommunications; underwater communications and power cable; vacuum metalized plastic films; polyethylene film and plastic products; deep-drawn metal parts for writing instruments.

Divisions and Subsidiaries:

Fire Protection & Safety

Grinnell Fire Protection Systems Co., Inc.
10 Dorrance Street
Providence, Rhode Island 02903
(401) 456-5600

Electronic & Electrical Components Group

Atlantic Coast Electronics Division
2681 Northeast 4th Avenue
Pompano Beach, Florida 33064
(305) 943-7300

Atlantic Backplane Co.
500 NE 25th street
Pompano Beach, Florida 33069
(305) 785-3510

Tyco Backplanes
Upper Road
P.O. Box 100
Straffordville, Connecticut 06077
(203) 684-2746

Saphikon Division
51 Powers Street
Milford, New Hampshire
(603) 673-5831

Multi-Circuits, Inc.
130 Hartford Road
Manchester, Connecticut 06040
(203) 646-3800

North American Printed Circuit Division
Old Monson Road
P.O. Box 145
Stratford, Connecticut 06075
(203) 684-5883

Simplex Wire and Cable Division
P.O. Box 479
Portsmouth, New Hampshire
(603) 436-6100

Piedmont Circuits Division
P.O. Box 905
Creedmoor, North Carolina 27522
(919) 528-2525

Packaging & Consumer Materials

Accurate Forming Division
Walkill Road
P.O. Box 278
Hamburg, New Jersey 07419
(201) 827-7155

Armin Corporation
301 West Side Avenue
Jersey City, New Jersey 07305
(201) 432-8032

Ludlow Corporation
105 Rosemary Street
Needham Heights, Massachusetts
(617) 444-4900

Transfer Agent(s):

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): New York

Ticker Symbol: TYC

Number of Employees:

1984	7,141	1981	5,430
1983	7,135	1980	5,170
1982	7,470		

Plant Footage:

1984	4,048,000 sq. ft.	1981	2,015,000
1983	3,794,000	1980	1,965,000
1982	3,974,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 650,064,000	$ 30,095,000
1983	573,930,000	21,475,000
1982	552,160,000	23,200,000
1981	360,873,000	22,519,000
1980	320,268,000	22,583,000

	No. of Com. Shares +	Earn. per Share #
1984	10,247,311	$ 3.22
1983	9,060,408	2.47
1982	8,764,128	2.56
1981	9,344,612	2.69
1980	7,510,346	3.41

+ Adjusted to reflect stock split.

# Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Fire protection & safety	$ 210,517,000	$ 212,373,000
Electronics & electrical	125,644,000	96,719,000
Consumer materials & electronic products	313,903,000	264,838,000
Total	$ 650,064,000	$ 573,930,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.70	—	—
1983	0.70	—	—
1982	0.70	—	2-for-1
1981	0.60	—	—
1980	0.50	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 184,583,000	$ 18.01
1983	156,672,000	17.29
1982	136,859,000	15.62
1981	126,313,000	13.52
1980	87,382,000	11.63

+ Adjusted to reflect stock split.

Income Account *

Year ended May 31	1984	1983
Net sales	$ 650,064,000	$ 573,930,000
Other income	3,980,000	12,296,000
Total Income	$ 654,044,000	$ 586,226,000
Cost of sales	513,056,000	451,958,000
Expenses	85,288,000	86,697,000
Interest expense	6,883,000	14,898,000
Income before taxes	$ 48,817,000	$ 32,673,000
Income taxes	18,722,000	11,198,000
Net Inc[illegible]	$ 30,095,000	$ 21,475,000

* Included in Costs and Expenses, Depreciation and Amortization: $19,073,000 in 1984 and $19,629,000 in 1983.

Assets

As of May 31	1984	1983
Cash	$ 14,407,000	$ 7,880,000
Investments	10,646,000	43,040,000
Receiv., net	102,101,000	88,805,000
Contracts in process	8,497,000	10,397,000
*Inventories	91,836,000	61,512,000
Prepaid expenses	1,712,000	1,097,000
Current Assets	$ 229,199,000	$ 212,731,000
Investments	—	24,431,000
#Fixed assets	142,390,000	130,500,000
Intangibles	8,155,000	8,403,000
Other assets	7,195,000	11,691,000
Total Assets	$ 386,939,000	$ 387,756,000

Liabilities

Loans payable	$ 1,922,000	$ 29,425,000
Accts. payable	41,656,000	29,284,000
Accruals	39,631,000	37,864,000
Contracts in process	5,386,000	7,746,000
Income taxes	19,476,000	2,084,000
Deferred income taxes	13,432,000	19,257,000
Other liab.	8,179,000	8,751,000
Curr. Liabilities	$ 129,682,000	$ 134,411,000
Long-term debt:		
Loans payable	36,000,000	38,000,000
5¼% conv. deben.	—	3,834,000
6¼% conv. deben.	—	14,562,000
Deferred earn-out liability	4,049,000	11,138,000
Industrial rev. bonds	18,702,000	16,304,000
Deferred inc. taxes	13,923,000	12,835,000
+ Common stock	5,123,000	4,530,000
Add. paid-in capital	63,702,000	42,262,000
Retained earnings	138,262,000	115,176,000
For. curr. trans. adjust.	—	(2,300,000)
Deferred comp.	(22,504,00)	(2,996,000)
Total Liabilities & Shareholders' Equity	$ 386,939,000	$ 387,756,000

* At lower of cost (primarily FIFO) or market.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	7.51	5.69
%Net Income to Sales	4.63	3.74
%Net Income to Equity	16.30	13.71
Sales to Inventories	7.08	9.33
Working Capital	$ 99,517,000	$ 78,320,000
Current Ratio	1.77	1.58
Shareholders' Equity	$184,583,000	$156,672,000

Tylan Corporation

23301 South Wilmington Avenue
Carson, California 90745
(213) 518-3610

Officers: Charles F. Drexel, chairman of the board & president; William E. Standring, Jr., exec. v.p. & secretary; Klaus K. Schuegraf, v.p. & director of technology; John f. Halff, v.p-finance.

Directors: Charles F. Drexel, chairman; William E. Standring, Jr., Roy J. Brown, Edward F. Phillippi, Jr., Roy L. Rogers, John D. Hussey, Richard Campbell.

Business Activities: The company manufactures production equipment used in the semiconductor industry for processing silicon wafers. Products include microprocessor control systems which provide diverse control functions for several diffusion furnaces from a central location, mass flowmeters, gas blenders, as well as complete diffusion furnaces.

Subsidiaries:

Tylan GmbH
Munich, West Germany

Tylan S.A.R.L.
Lyon, France

Tylan, U.K. Ltd
Swindon, United Kingdom

Tylan, Israel
Llod-Hasharoa, Israel

Joint Venture:

Nippon Tylan Corporation
Tokyo, Japan

Transfer Agent(s):

Bank of America NT & SA
Corporate Agency Services Center
555 South Flower Street
Los Angeles, California 90071

Stock Exchange(s): Over-the-Counter

Ticker Symbol: TYLN (NASDAQ)

Number of Employees:

1984	N.A.	1982	285
1983	325		

Plant Footage:

1984	N.A.	1982	117,000
1983	117,000 sq. ft.	1981	117,000

N.A.-Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 23,780,000	$ 1,150,000
1983	18,511,000	812,000
1982	18,214,000	1,019,000
1981	18,340,000	1,853,000
1980	17,135,000	2,831,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	2,053,000	$ 0.56
1983	2,047,000	0.40
1982	2,010,000	0.51
1981	1,992,000	0.93
1980	1,716,000	1.65

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 12,987,000	$ 6.33
1983	11,685,000	5.71
1982	10,987,000	5.47
1981	9,954,000	5.00
1980	4,787,000	2.79

‡ Based on the weighted average number of common shares and common share equivalents outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 23,780,000	$ 18,511,00
Cost of sales	13,829,000	10,821,000
Expenses	9,041,000	6,955,000
Interest expense	416,000	158,000
Other income	(441,000)	(345,000)
Eq. in inc. of joint venture	(524,000)	(329,000)
Income before taxes	$ 1,459,000	$ 1,251,000
Income taxes	309,000	439,000
Net Income	$ 1,150,000	$ 812,000

* Included in Costs and Expenses, Depreciation and Amortization: $581,000 in 1984 and $531,000 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 339,000	$ 446,000
Accts. rec., net	8,499,000	4,882,000
*Inventories	10,124,000	6,216,000
Prepaid expenses	572,000	61,000
Deferred inc. taxes	—	16,000
Inc. taxes rec.	364,000	—
Current Assets	$ 19,898,000	$ 11,621,000
#Fixed assets	3,354,000	2,481,000
Invest. in joint venture	2,003,000	1,479,000
Other assets	389,000	386,000
Total Assets	$ 25,644,000	$ 15,967,000

Liabilities

Revolv. line of credit	$ 2,044,000	$ 264,000
Long-term debt, curr.	48,000	32,000
Accts. payable	1,921,000	1,115,000
Deferred income taxes	171,000	—
Accrued payroll	941,000	778,000
Income taxes	99,000	101,000
Accrued emp. stock ownership plan	105,000	150,000

Cust. adv. payments	144,000	226,000
Other accrued liab.	831,000	375,000
Curr. Liabilities	$ 6,304,000	$ 3,041,000
Long-term debt	5,623,000	721,000
Deferred inc. taxes	730,000	520,000
+ Common stock	3,783,000	3,572,000
Retained earnings	9,391,000	8,241,000
Cum. trans. adj	(187,000)	(128,000)
Total Liabilities & Shareholders' Equity	$ 25,644,000	$ 15,967,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	6.14	6.76
%Net Income to Sales	4.84	4.39
%Net Income to Equity	8.86	6.95
Sales to Inventories	2.35	2.98
Working Capital	$13,594,000	$ 8,580,000
Current Ratio	3.16	3.82
Shareholders' Equity	$12,987,000	$11,685,000

UMC Electronics Co.

460 Sackett Point Road
North Haven, Connecticut 06473
(203) 288-7731

Officers: James C. Leu, president and treasurer; Victor A. Stancliff, chairman of the board; Ogden W. Sutro, chairman of the executive committee; Edward G. McHugh, senior vice president; Philip W. Lohman, v.p.-marketing; John W. Hogan, Jr., secretary; Rocco V. Mariano, vice president-engineering; Edmund L. Bellin, asst. secretary.

Directors: Victor A. Stancliff, chairman; Ogden W. Sutro, John W. Hogan, Jr., Chester A. Barrett, James P. Rybeck, James C. Leu, P.W. Lohman, William M. Lynch.

Areas of Work: Engaged in the manufacture, assembly, and distribution of electrical and hydraulic aircraft and vehicular testing equipment, electrical load banks, synchronous and torque motors, and cartridge tape equipment.

Divisions:

United Manufacturing Division
Broadcast Products Division
460 Sackett Point Road
North Haven, Connecticut 06473
(203) 288-7731

Transfer Agent(s):

Union Trust Co.
300 Main Street
Stamford, Connecticut 06904

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UMCE (NASDAQ)

Sales and Earnings ‡

	Revenues	Net Income
1983	$ 6,507,109	$ (127,340)
1982	11,511,517	394,963
1981	8,638,928	416,691
1980	6,725,700	268,599
1979	2,611,774	49,919

	No. of Com. Shares +	Earn. per Share +
1983	1,170,792	$ —
1982	1,124,033	0.35
1981	1,115,139	0.37
1980	1,109,892	0.24
1979	935,955	0.05

(Loss)
‡ Restated to reflect change in method of accounting for contract costs.

+ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Revenues By Line of Business

	1983	1982
Aircraft testing equip.	$ 3,803,393	$ 8,688,389
Broadcast prods.	2,703,716	2,823,128
Total	$ 6,507,109	$ 11,511,517

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	—	10%	—
1982	—	--	5-for-4
1981	—	10%	—
1980	—	15%	—
1979	—	10%	—

Common Stock Equity

	Total Equity	Equity Per Share †
1983	$ 2,482,359	$ 2.12
1982	2,336,815	2.08
1981	1,984,024	1.78
1980	1,567,298	1.41
1979	1,366,428	1.46

† Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock dividends and stock split.

Income Account *

Year ended Sept. 30	1983	1982 ‡
Net sales	$ 6,507,109	$ 11,511,517
Cost of sales	4,593,721	8,472,423
Expenses	2,025,343	2,408,061
Interest expense	171,560	160,194
Other income	(37,905)	(20,454)
Income (loss) before taxes	$ (245,610)	$ 491,293
Income taxes (credit)	(118,270)	96,330
Net Income (Loss)	$ (127,340)	$ 394,963

* Included in Costs and Expenses, Depreciation and Amortization: $152,561 in 1983 and $128,612 in 1982.
‡ Restated.

Assets

As of Sept. 30	1983	1982
Cash	$ 46,840	$ 48,302
Accts. receiv., net	1,529,778	745,389
Recov. inc. taxes	286,342	—
*Inventories	2,821,602	2,615,735
Prepaid expenses	172,203	127,907
Current Assets	$ 4,856,765	$ 3,537,333
#Fixed assets	950,178	863,695
Goodwill	22,658	23,282
Other assets	31,609	28,996
Intangibles	6,299	7,295
Total Assets	$ 5,867,509	$ 4,460,601

Liabilities

Notes payable	$ —	$ 530,242
Long-term debt, curr.	127,210	152,500
Accts. payable	1,409,993	923,953
Deferred taxes	199,143	77,865
Advance on contracts	21,896	15,181
Accruals	155,929	267,104
Curr. Liabilities	$ 1,914,171	$ 1,966,845
Long-term liabilities	1,408,644	125,000
Deferred inc. taxes	62,335	31,941
+ Common stock	949,425	817,479
Add. paid-in capital	1,619,730	862,118
Retained earnings (Deficit)	(86,796)	657,218
Total Liabilities & Shareholders' Equity	$ 5,867,509	$ 4,460,601

* At cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	—	5.02
%Net Income to Sales	—	3.81
%Net Income to Equity	—	18.76
Sales to Inventories	2.31	4.40
Working Capital	$2,942,594	$1,570,488
Current Ratio	2.54	1.80
Shareholders' Equity	$2,482,359	$2,336,815

The Unimax Corporation

54 East 64th Street
New York, New York 10021
(212) 755-8800

Officers: Arthur L. Carter, chairman of the executive committee; Tom Scheinman, president & chief exec. officer; Jules Martinez, sr. v.p.; John D. Sicher, Jr., v.p. & general counsel; Richard S. Wiesenthal, exec. v.p.; Seymour Hertz, secretary; Peter Giosa, v.p.; Peter J. Hertel, treasurer.

Directors: Arthur L. Carter, Tom Scheinman, Jules Martinez, Richard S. Wiesenthal, Peter Giosa, S. Marcus Finkle, John Halpern, Peter Hertel, William Lerner, Mark Kaplan, John D. Sicher, Jr.

Areas of Work: Engaged principally in the manufacture and sale of electrical components; in graphic arts business (photoengraving, lithography and typography and gravure); in the manufacture and sale of metal products (principally springs).

Divisions and Subsidiaries:

Electrical Components Group

Unimax Switch Corporation
Ives Road
Wallingford, Connecticut 06492

Ward Leonard Electric Co., Inc.
31 South Street
Mt. Vernon, New York 10550

Unimax Switch Limited
Maidenhead, England

Metal Products Manufacturing Group

Lee Spring Company, Inc.
1462 62nd Street
Brooklyn, New York 11219

Graphics Group

Master-Eagle Photoengraving Corp.
Craftsman Color Lithographers, Inc.
The Type Group Inc.
Intaglio Service Company of New York City

All At:

40 West 25th Street
New York, New York 10010

Stock Exchange(s): American, Pacific, Phil. (Bonds only)

Sales and Earnings

	Revenues †	Net Income ‡
6/30/84x	$ 61,076,200	$ (316,400)
8/31/83	65,278,200	(11,200)
8/31/82	67,375,900	(5,444,300)
8/31/81	65,042,500	1,097,400
8/31/80*	44,671,800	838,100

	No. of Com. Shares +	Earn. per Share ‡ +
6/30/84x	949,577	$ —
8/31/83	949,577	—
8/31/82	949,577	—
8/31/81	946,347	0.94
8/31/80*	935,985	0.75

(Loss)

x 10 months.

* 8 months.

† Of continuing operations only.

‡ Including extraordinary gains of $132,300 ($0.14 per share) in 1983, $681,000 ($0.72 per share) in 1982, $749,200 ($0.79 per share) in 1981 and $140,700 ($0.31 per share) in 1980.

+ Based on the average number of shares outstanding adjusted to reflect reverse stock split.

Revenues By Line of Business

	1984	1983
Electrical components group	$ 32,290,000	$ 34,836,000
Metal products mfg. group	10,776,000	10,382,000
Graphics group	18,010,000	20,060,000
Total	$ 61,076,000	$ 65,278,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
6/30/84	—	—	—
8/31/83	—	—	—
8/31/82	—	—	1-for-2

Income Account

Year ended	10/30/84 (10 months)	8/31/83
Revenues	$ 61,076,200	$ 65,278,200
Cost of sales	38,883,000	41,792,800
Expenses	16,331,200	16,863,200
Interest & debt expense	3,005,900	3,540,000
Depreciation and amortization	2,288,300	2,389,700
Other expense	859,700	982,800
Loss before taxes	$ (291,900)	$ (290,300)
Income taxes (credit)	24,500	(146,800)
Net (Loss)	$ (316,400)	$ (143,500)
Extraord. gain	—	132,300
Net Loss & extraordinary gain	$ (316,400)	$ (11,200)

Assets

As of	1984	1983
Cash	$ 1,097,200	$ 900,700
Accts. & notes receiv., net	12,232,800	10,719,700
*Inventories	13,312,400	13,026,200
Prepayment & other assets	670,500	793,200
Current Assets	$ 27,312,900	$ 25,439,800
Investments	698,200	706,800
Note receivable	500,000	1,000,000
#Fixed assets	15,196,700	15,158,200
Intangibles	6,669,200	6,702,200
Deferred charges	1,961,400	1,783,200
Other assets	92,200	103,000
Total Assets	$ 52,430,600	$ 50,893,200

Liabilities

Notes & revolving loans	$ 3,860,000	$ 3,309,700
Long-term debt, curr.	997,800	775,600
Cap. lease oblig., curr.	339,300	395,100
Accts. payable & accruals	7,795,300	6,354,400
Other liabilities	1,347,100	1,169,100
Curr. Liabilities	$ 14,339,500	$ 12,003,900
Long-term debt	7,699,200	7,981,700
Cap. lease oblig.	1,112,600	1,053,200
Other liabilities	425,300	377,600
Conv. subord. debt	15,630,300	15,806,300
+ Preferred stock: Series A	1,055,200	1,055,200
+ + Common stock	1,469,000	1,469,000
Add. paid-in capital	28,136,500	28,136,500
Eq. adjust. for curr. trans.	(514,300)	(383,900)
Deficit	(15,266,400)	(14,950,000)
Treasury stock	(1,656,300)	(1,656,300)
Total Liabilities & Shareholders' Equity	$ 52,430,600	$ 50,893,200

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $3 par value.

+ + $1.50 par value.

Statistical Summary

Sales to Inventories	4.59	5.01
Working Capital	$12,973,400	$13,435,900
Current Ratio	1.90	2.12
Shareholders' Equity	$13,223,700	$13,670,500

United Aircraft Products, Inc.

Dayton International Airport
P.O. Box 1335
Dayton, Ohio 45401
(513) 898-1811

Officers: Maury L. Spanier, chairman of the board & chief executive officer; Milton S. Cohn, chairman of the executive committee; Nick G. Harris, president & chief operating officer; Henry Cozzolino, v.p.-marketing; Robert R. Pfouts, v.p.-engineering; Carl E. Simmons, v.p.-corp. growth; Charles A. Gockel, Jr., v.p. & treasurer; John F. Unger, v.p.-manufacturing; David B. Spanier, secretary.

Directors: Benjamin Alpert, Bertram H. Bloch, Milton S. Cohn, Norman I. Schafler, Maury L. Spanier, Nick G. Harris, Marvin J. Kirsten, Albert J. Rosenthal, Donald W. Thomas.

Areas of Work: Engaged in the design, development and manufacture of products for companies in the aerospace industry, with special emphasis upon thermal control systems, heat exchangers, oil system reservoirs, and related equipment. Products include vapor and air cycle refrigeration systems, expendable refrigerant systems, electronic cooling systems, liquid chillers, dehumidifiers, water separators and liquid cooling systems; thermal insulations; heat exchangers; oil tanks, accumulators, and pressure vessels; aerospace ground equipment, including mobile air conditioners, fluid charging systems, special ground handling equipment, and test stands.

Subsidiaries:

Industrial Microwave Corporation
520 Martin Place
Scotch Plains, New Jersey 07076
(201) 322-4411

Manufactures equipment for the electronics communications industry.

Transfer Agent(s):

Bradford Trust Company
New York, New York

Stock Exchange(s): American

Ticker Symbol: UAP

Sales and Earnings

	Net Sales	Net Income
1984	$ 32,609,752	$ 3,959,120
1983	28,886,645	3,231,028
1982	26,712,543	3,027,366
1981	17,841,420	1,273,854
1980	18,468,000	1,672,000

	No. of Com. Shares	Earn. per Share ‡
1984	2,218,657	$ 1.79
1983	2,117,142	1.46
1982	2,001,423	1.37
1981	1,490,870	0.59
1980	1,383,512	0.79

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends and stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.51	5%	—
1983	0.47	5%	—
1982	0.44	—	4-for-3
1981	0.42	5%	—
1980	0.40	10%	—

+ Adjusted to reflect stock dividends and stock split.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 20,330,876	$ 9.16
1983	17,513,745	8.27
1982	15,064,850	7.53
1981	12,935,081	8.68
1980	12,198,209	8.82

Income Account *

Year ended Nov. 30	1984	1983
Net sales	$ 32,609,752	$ 28,886,645
Cost of sales	23,599,094	19,948,866
Expenses	3,992,443	3,506,352
Other income	(627,905)	(639,601)
Income before taxes	$ 5,646,120	$ 6,071,028
Income taxes	1,687,000	2,840,000
Net Income	$ 3,959,120	$ 3,231,028

* Included in Costs and Expenses, Depreciation: $577,551 in 1984 and $435,358 in 1983.

Assets

As of Nov. 30	1984	1983
Cash	$ 6,255,419	$ 8,477,742
Accts. receiv., net	5,026,375	3,730,517
*Inventories	7,536,969	6,444,775
Prepaid expenses & deferred inc. taxes	434,903	69,690
Current Assets	$ 19,253,666	$ 18,722,724
#Fixed assets	5,125,028	3,701,598
Intangibles	1,657,248	—
Total Assets	$ 26,035,942	$ 22,424,322

Liabilities

Accts. payable	$ 2,541,967	$ 1,164,444
Accruals	2,084,738	2,036,804
Income taxes	262,593	528,329
Curr. Liabilities	$ 4,889,298	$ 3,729,577
Deferred inc. taxes	815,768	1,181,000
+ Common stock	1,112,164	1,059,654
Add. paid-in capital	13,592,738	11,846,492
Retained earnings	5,710,615	4,645,936
Treasury stock	(84,641)	(38,337)
Total Liabilities & Shareholders' Equity	$ 26,035,942	$ 22,424,322

* At lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	17.31	21.02
%Net Income to Sales	12.14	11.19
%Net Income to Equity	19.47	18.45
Sales to Inventories	4.33	4.48
Working Capital	$14,364,368	$14,993,147
Current Ratio	3.94	5.02
Shareholders' Equity	$20,330,876	$17,513,745

United Industrial Corporation

18 East 48th Street
New York, New York 10017
(212) 752-8787

Officers: Bernard Fein, president; A. Edwin Fein, v.p. & secretary; Irwin R. Barr, Leon Fern, Harold L. Knox, v.p.'s; Howard M. Bloch, treasurer.

Directors: Arthur P. Clow, Bernard Fein, Ben Feit, Howard M. Bloch, Myron Simons.

Subsidiaries:

AAI Corporation
Cockeysville, Maryland; Orlando, Florida; Oakland, California

Engaged in the development and manufacture of automatic test equipment for aircraft, weapons, ammunition and fuzing; material handling equipment; simulator for electronic warfare training (SEWT); and solar energy systems.

Affiliated Hospital Products, Inc.
Perry Group
Massillon & Carrollton, Ohio; Columbus, Ga.; Ajax, Canada

Different types of gloves, catheters, finger cots and tubing for the hospital market.

Equipment Group
St. Louis, Mo.; Columbus, Ga.

Produces hospital equipment such as hospital beds.

MPL, Inc.
Chicago & Franklin Park, Illinois

Development and sale of a patented unit-dose system; medical and dental needles.

Neo Products Company
Chicago, Illinois

Producer of custom thermaplastic parts for the merchandisers of major appliances.

Detroit Stoker Company
Monroe & Marshall, Michigan; Columbus, Ohio

Designs, manufactures and markets coal burning stokers and auxiliary equipment, refuse burning systems, pollution control devices, related material handling equipment, and waste material crushers/shredders.

Transfer Agent(s):

Morgan Guaranty Trust Company
30 West Broadway
New York, New York 10015

Bank of America, N.T. & S.A.
555 South Flower Street
Los Angeles, California 90014

Stock Exchange(s): New York

Ticker Symbol: UIC

Sales and Earnings

	Net Sales †	Net Income
1983	$ 288,271,000	$ 16,739,000
1982	257,153,000	13,930,000
1981	202,148,000	11,076,000
1980	165,492,000	7,825,000
1979	144,426,000	7,073,000

	No. of Com. Shares +	Earn. per Share #
1983	10,142,748	$ 1.64
1982	10,142,748	1.37
1981	10,142,748	1.09
1980	10,142,748	0.84
1979	9,852,856	0.76

† Of continuing operations only.
# Based on the weighted average number of common shares outstanding adjusted to reflect stock dividends and stock splits.
+ Adjusted to reflect stock dividends and stock splits.

Revenues By Line of Business

	1983	1982
Health prods.	$ 64,098,000	$ 59,394,000
Defense contractor	188,351,000	153,215,000
Industrial cumbustion equip.	30,958,000	39,977,000
Other	4,864,000	4,567,000
Total	$ 288,271,000	$ 257,153,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1983	$0.39	—	2-for-1
1982	0.31	10%	3-for-2
1981	0.27	10%	—
1980	0.23	10%	—
1979	0.20	10%	—

‡ Adjusted to reflect stock dividends and stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1983	$ 77,735,000	$ 7.66
1982	64,927,000	6.40
1981	54,257,000	5.35
1980	45,964,000	4.53

† Adjusted to reflect stock dividends and stock splits.

Income Account *

Year ended Dec. 31	1983	1982
Net sales	$ 288,271,000	$ 257,153,000
Cost of sales	217,880,000	199,085,000
Expenses	42,568,000	35,321,000
Interest income	(1,028,000)	(933,000)
Income before taxes	$ 28,851,000	$ 23,680,000
Income taxes	11,090,000	8,830,000
Minority interest	1,022,000	920,000
Net Income	$ 16,739,000	$ 13,930,000

* Included in Costs and Expenses, Depreciation and Amortization: $6,435,000 in 1983 and $5,194,000 in 1982.

Assets

As of Dec. 31	1983	1982
Cash & marketable securities	$ 26,939,000	$ 11,554,000
Trade receiv., net	46,048,000	40,328,000
*Inventories	38,177,000	37,201,000
Prepaid expenses	4,408,000	2,033,000
Current Assets	$ 115,572,000	$ 96,043,000
#Fixed assets	46,766,000	42,310,000
Other assets	4,371,000	6,340,000
Total Assets	$ 166,709,000	$ 144,693,000

Liabilities

Long-term debt, curr	$ 1,122,000	$ 1,620,000
Accts. payable	14,482,000	11,300,000
Accrued payroll	8,758,000	8,109,000
Cust. advances	6,402,000	7,606,000
Income taxes	2,778,000	861,000
Other liabilities	8,938,000	8,569,000
Deferred inc. taxes	23,836,000	17,915,000
Curr. Liabilities	$ 66,316,000	$ 55,980,000
Long-term debt	2,643,000	3,765,000
Deferred inc. taxes	13,069,000	13,949,000
Minority interest	6,946,000	6,072,000
+ Common stock	10,959,000	5,888,000
Add. paid-in capital	44,370,000	49,441,000
Retained earnings	25,395,000	12,587,000
Treasury stock	(2,989,000)	(2,989,000)
Total Liabilities & Shareholders' Equity	$ 166,709,000	$ 144,693,000

* At lower of cost (LIFO, actual, average, standard) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.01	9.21
%Net Income to Sales	5.81	5.42
%Net Income to Equity	21.53	21.45
Sales to Inventories	7.55	6.91
Working Capital	$49,256,000	$40,063,000
Current Ratio	1.74	1.72
Shareholders' Equity	$77,735,000	$64,927,000

United Technologies Corporation

United Technologies Building
Hartford, Connecticut 06101
(203) 728-7000

Officers: Harry J. Gray, chairman of the board & chief executive officer; Robert F. Daniell, president & chief operating officer; Richard J. Coar, exec. v.p.-Power Group; Hubert Faure, sr. exec. v.p.-Building Systems; Stillman B. Brown, exec. v.p.-finance & administration; Edward W. Large, exec. v.p.-legal & corp. affairs; Ramond D'Argenio, sr. v.p.-communications; Clark MacGregor, sr. v.p.-external affairs; Sidney F. McKenna, sr. v.p.-human resources & organization; Richard F. Gamble, sr. v.p.-Controls Group; Edward M. Irving, sr. v.p.-industrial systems group; Francis L. Murphy, sr. v.p. & counsel to the chairman; Joseph A. Biernat, sr. v.p. & treasurer; Edward J. Rapetti, group v.p.-Automotive Group; William J. Evans, Dale W. Van Winkle, v.p.'s; Beverly Lannquist Hamilton, v.p.-Pension Investment Management; Martin R. Lewis, Jr., v.p. & secretary; Latham L. Allison, v.p.-strategic planning; Russell G. Meyerand, Jr., v.p.-technology; J. Thomas Bouchard, v.p.-industrial relations; Thomas A. Drohan, v.p.-public relations; Walter F. Wells, v.p.-Management Development & Salaried Personnel Relations; Burton M. Joyce, v.p.-Investor Relations; Charles B. Preston, v.p. & controller; Hugh E. Witt, v.p.-governmental liaison; Irving B. Yoskowitz, v.p. & general counsel; Robert F. Allen, chairman & chief exec. officer-Carrier; Bill L. Aishman, president, Pacific Area Operations-Otis; George A.L. David, president, North American Operations-Otis; Harold L. Ergott, Jr., president & chief exec. officer-Mostek; Lawrence W. Clarkson, president-Commercial Products Division of Pratt & Whitney Aircraft Group; Frank W. McAbee, Jr., president-& chief operating officer-United Technologies Building Systems Company; T. Stephen Melvin, president-manufacturing division of Pratt & Whitney Group; Herman A. Michelson, president-Norden Systems; Elvie L. Smith, president & chief exec. officer-Pratt & Whitney Canada Inc.; Jean-Pierre van Rooy, president-Carrier International; Irwin Mendelsen, president-Pratt & Whitney engineering division; Arthur E. Wegner, president-exec. v.p.'s of Pratt & Whitney Group; William C. Missimer, exec. v.p.-Pratt & Whitney; Terry D. Stinson, president-Elliott; Leonard L. DeSantis, president & chief operating officer-Inmont; Joe R. Phillips, president, government products division-Pratt & Whitney Group; William F. Paul, president and chief operating officer-Sikorsky Aircraft; John M. Bruce, president & chief operating officer-Essex; Selwyn D. Berson, exec. v.p.-Pratt & Whitney; Lawrence w. Clarkson, president-commercial Products Div., Pratt & Whitney Group; Pierre J. Fougeron, president-European & Transcontinental Operations, Otis; Francois Jaulin, president & chief operating officer-Otis; Brian B.H. King, president-Latin American Operations, Otis; John Lovkay, Jr., president-Hamilton Standard Division; John F. Lyons, president-North American Operations, Carrier.

Directors: Henry J. Gray*, chairman; T. Mitchell Ford*, Robert L. Sproull, William I. Spencer*, Richard S. Smith*, Hubert Faure, Jacqueline G. Wexler, Antonia H. Chayes, Robert F. Dee, William E. Simon, Darwin E. Smith, Charles W. Duncan, Jr., Pehr G. Gyllenhammar, Robert H. Malott, Stillman B. Brown, K. Rupert Murdoch, John S. Reed., Robert F. Daniell.

* Member of the Executive Committee.

Areas of Work: Vertical-lift aircraft for military and civil operation and precision systems for flight, including environmental engine, air-inlet, and wing-sweep actuator controls; airborne integrated data systems and flight recorders; airborne radar and cockpit display systems; propellers; solid propellant rocket boosters and motors; liquid-fueled and hybrid rocket engines; space life support, environmental, guidance, and power systems; altitude control thrusters; turbine aircraft engines in a range of power ratings; gas turbines and allied equipment for electrical power generation, industrial process, natural gas transmission, and marine propulsion; computerized diagnostic and control systems for the automotive and other industries; laser welding systems for industry; electrical products principally for electric utility, telephone, automotive, construction and appliance markets; elevators, and escalators;

air conditioning, advanced business communication systems electronic energy management control and intergrated building systems, and services.

Divisions and Subsidiaries:

Pratt & Whitney Aircraft Group
East Hartford, Connecticut 06108
(203) 565-4321

Otis Group, Inc.
245 Park Avenue
New York, New York 10017
(212) 557-5700

Hamilton Standard Division
Bradley International Airport
Windsor Locks, Connecticut 06096
(203) 623-1621

AMBAC Industries, Incorporated
One Old Country Road
Carle Place, New York 11514
(516) 742-5700

Sikorsky Aircraft Division
Stratford, Connecticut 06497
(203) 378-6361

Norden System, Inc.
Helen Street
Norwalk, Connecticut 06856
(203) 838-4471

Power Systems Division
Hartford, Connecticut 06101
(203) 728-7000

Essex Group, Inc.
1601 Wall Street
Fort Wayne, Indiana 46804
(291) 743-0311

Research Center
East Hartford, Connecticut 06108
(203) 565-4321

Pratt & Whitney Aircraft of West Virginia, Inc.
P.O. Box 245
Bridgeport, West Virginia 26330
(304) 842-5421

United Technologies International Incorporated
East Hartford, Connecticut 06108
(203) 565-4321

Pratt & Whitney Aircraft of Canada Limited (97% owned)
P.O. Box 10
Longueuil, Quebec, Canada
(514) 677-9411

Carrier Corporation
Carrier Tower
Syracuse, New York 13221
(315) 424-4711

Engaged in the manufacture and sale of air conditioning equipment, chemical specialty products and energy processing equipment.

Mostek Corporation
P.O. Box 169
1215 Crosby Road
Carrollton, Texas 75006
(214) 323-8822

Products include integrated circuits and sub-systems for the data processing and telecommunications industries.

Transfer Agent(s):

The Chase Manhattan Bank N.A. ($8.00 preferred stock)
1 New York Plaza
New York, New York 10081

Chemical Bank ($3.875 preferred stock)
55 Water Street
New York, New York 10041

Morgan Guaranty Trust Company of New York ($2.55 and $4.50 preferred stock)
30 West Broadway
New York, New York 10015

Stock Exchange(s): New York, London, Paris, Frankfurt, Geneva, Basel, Zurich, Brussels, Amsterdam, Lausanne.

Ticker Symbol: UTX

Number of Employees:

1984	205,000	1981	189,700
1983	194,000	1980	200,200
1982	184,000		

Sales and Earnings

	Net Sales (000's)	Net Income † (000's)
1984	$ 16,331,757	$ 645,015
1983	14,669,265	509,173
1982	13,577,129	533,721
1981	13,667,758	457,686
1980	12,323,994	393,383

	No. of Com. Shares ‡	Earn. per Share ‡ †
1984	120,795,140	$ 4.90
1983	111,433,990	3.97
1982	106,209,690	4.37
1981	98,804,972	3.85
1980	85,710,624	3.64

† Including extraordinary gain of $40,226,000 ($0.76 per share) in 1982.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Power	$ 5,358,389	$ 5,146,127
Flight systems	2,704,423	2,321,859
Building syst.	4,520,975	3,950,417
Indust. prods. for auto., elec. & other	3,701,544	3,156,152
Other	364,360	344,689
Eliminations	(317,934)	(249,979)
Total	$ 16,331,757	$ 14,669,265

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$1.375	—	2-for-1
1983	1.275	—	—
1982	1.20	—	—
1981	1.20	—	—
1980	1.10	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity +	Equity Per Share ‡
1984	$3,645,399,000	$ 30.04
1983	3,253,897,000	27.21
1982	2,775,784,000	25.56
1981	2,445,910,000	23.57
1980	1,864,827,000	21.35

+ After allowing for preferred stock at aggregate liquidation value.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 16,331,757	$ 14,669,265
Other income	160,040	151,487
Total income	$ 16,491,797	$ 14,820,752
Cost of sales & services	11,953,716	10,768,274
Expenses	2,303,548	2,013,874
Research & devel.	1,011,987	970,790
Interest expense	206,734	208,573
Income before taxes	$ 1,015,812	$ 859,241
Income taxes	350,167	335,104
Minority interest	20,630	14,964
Net Income	$ 645,015	$ 509,173

* Included in Costs and Expenses. Depreciation: $423,068,000 in 1984 and $372,456,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 224,699	$ 231,793
Accts. receiv., net	2,065,531	1,721,830
*Inventories	3,455,360	2,992,645
Prepaid expenses	74,767	72,298
Current Assets	$ 5,820,357	$ 5,018,566
Investments & advances	416,500	336,365
Accts. & notes receivable	97,152	105,918
#Fixed assets	2,985,963	2,687,957
Defer. charges	584,564	571,253
Total Assets	$ 9,904,536	$ 8,720,059

Liabilities
(000's)

Notes payable	$ 337,782	$ 398,149
Long-term debt, curr.	153,610	60,165
Accts payable	1,196,006	1,068,773
Accruals	1,553,958	1,341,234
Income taxes	194,839	197,902
Deferred inc. taxes	68,714	104,460
Advances on contracts	248,404	202,283
Curr. Liabilities	$ 3,753,323	$ 3,372,966
Long-term debt	1,178,335	868,968
Deferred invest. tax credit	314,473	279,308
Other liabilities	386,928	325,774
Minority interest	102,027	89,288
+ Preferred stock:		
$4.50 Cumulative	1,803	1,969
$2.55 Cumulative	525,586	524,629
$8.00 Cumulative	—	5,680
+ + Common stock	1,390,208	1,353,980
Deferred trans. adjust.	(268,416)	(199,336)
Retained earnings	2,520,269	2,096,833
Total Liabilities & Shareholders' Equity	$ 9,904,536	$ 8,720,059

* At lower of cost or estimated realizable value.
# Less accumulated depreciation and amortization.
+ $1 par value, convertible.
+ + $5 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.22	5.86
%Net Income to Sales	3.95	3.47
%Net Income to Equity	15.47	13.46
Sales to Inventories	4.73	4.90
Working Capital	$2,067,034,000	$1,645,600,000
Current Ratio	1.55	1.49
Shareholders' Equity	$4,169,450,000	$3,783,755,000

United Telecommunications, Inc.

2330 Johnson Drive
Westwood, Kansas 66205
(913) 676-3000

Mailing address:

P.O. Box 11315
Kansas City, Missouri 64112

Officers: Paul H. Henson, chairman of the board; William T. Esrey, president & chief executive officer; Charles W. Battey, vice chairman & chief administrative & financial officer;

Robert H. Snedaker, vice chairman; John F. Dodd, executive v.p. & general counsel; John C. Hancock, exec. v.p. & chief technical officer; Richard J. Croker, Donald G. Forsythe, Thomas A. Benedett, Hayward D. Fisk, Ralph T. Whiteside, Sushil G. Munshi, William H. Russell, Paul H. Till, v.p.'s, Frank R. Ventura, v.p. & controller; William J. Gunter, v.p. & treasurer; Don A. Jensen, v.p. & secretary.

Directors: Raymond M. Alden, Charles W. Battey, Warren L. Batts, Joseph D. Brenner, Ruth M. Davis, Paul H. Henson, Harold S. Hook, Carl Horn, Jr., Lewis W. Lehr, Thomas S. Nurnberger, James C. Olson, Charles E. Rice, Avis G. Tucker, Stewart Turley.

Areas of Work: A publicly-owned, holding company which is engaged in a number of telecommunications businesses. The company's two operating groups are United Telephone System, Inc. one of the nation's largest telephone systems, and U.S. Telecom, Inc., which provides voice, data and video transmission services. Complementary businesses are engaged in computer graphics, distribution, computer retailing and computer software activities.

Subsidiaries:

Megatek Corporation
9605 Scranton Road
San Diego, California 92121
(619) 455-5590

North Supply Company
600 Industrial Parkway
Industrial Airport, Kansas 66031
(913) 791-7000

AmeriSource
P.O. Box 11315
Kansas City, Missouri 64112
(913) 676-3000

Information Systems of America, Inc.
P.O. Box 47975
500 Northridge
Atlanta, Georgia 30338
(404) 587-6800

Market Information
11414 West Center Road, Suite 360
Omaha, Nebraska 68144
(402) 333-6633

United Information Systems, Ltd.
P.O. Box 11315
Kansas City, Missouri 64112
(913) 676-3000

United Telephone System, Inc.
P.O. Box 11315
Kansas City, Missouri 64112
(913) 676-3000

Consists of the following companies:

Carolina Telephone and Telegraph Co.
720 Western Blvd.
Tarboro, North Carolina 27886
(919) 823-9900

United Telephone Company of Florida
919 West Highway 436
Altamonte Springs, Florida 32701
(305) 862-1123

United Telephone Company of Indiana
Post Office Box 391
Warsaw, Indiana 46580
(219) 267-6161

United Telephone Company of the Northwest
601 State Street
Hood River, Oregon 97301
(503) 386-2211

United Telephone Company of Ohio
Post Office Box 3555
Mansfield, Ohio 44907
(419) 755-8011

United Telephone System-Eastern Group
1170 Harrisburg Pike
Carlisle, Pennsylvania 17013
(717) 243-6312

Consists of the following companies:

United Telephone Company of Pennsylvania
United Telephone Company of New Jersey
New Jersey Telephone Company
West Jersey Telephone Company
Hillsborough and Montgomery Telephone Company
United-Sussex Telephone Company

United Telephone Company of Texas
P.O. Box 2016
Tyler, Texas 75710
(214) 675-8521

United Telephone System-Midwest Group
666 W. 110th St.
Overland Park, Kansas 66211
(913) 381-6400

Consists of the following companies:

United Telephone Company of Iowa
United Telephone Company of Kansas
United Telephone Company of Minnesota
United Telephone Company of Missouri
United Telephone Company of Arkansas
United Telephone Company of the West

United Telephone System-Southeast Group
112 Sixth Street
Bristol, Tennessee 37620
(615) 968-8121

Consists of the following companies:

United Inter-Mountain Telephone Company
United Telephone Company of the Carolinas

United Data Services
P.O. Box 33080
Kansas City, Missouri 64114
(913) 341-0009

United TeleSentinel
P.O. Box 33080
Kansas City, Missouri 64114
(913) 341-0009

United TeleSpectrum
P.O. Box 33080
Kansas City, Missouri 64114
(913) 341-0009

U.S. Telecom, Inc.
P.O. Box 11315
Kansas City, Missouri 64112
(913) 676-3000

Consists of the following companies:

ISACOMM
1815 Century Blvd., Suite 500
Atlanta, Georgia 30345
(404) 320-1033

UNINET
10951 Lakeview Avenue
Lenexa, Kansas 66219
(913) 541-4400

U.S. Telephone, Inc.
108 South Akard
Dallas, Texas 75202
(214) 741-1957

Transfer Agent(s):

Manufacturers Hanover Trust Company
New York, New York

United Missouri Bank of Kansas City, N.A.
P.O. Box 226
Kansas City, Missouri 64141

Stock Exchange(s): New York, Midwest, Pacific

Ticker Symbol: UT

Number of Employees:

1984	27,639	1981	29,680
1983	27,218	1980	29,320
1982	29,309		

Sales and Earnings x

	Revenues & Sales # (000's)	Net Income (000's)
1984	$ 2,855,515	$ 235,238
1983	2,559,329	198,971
1982	2,414,000	192,419
1981	2,206,000	243,122
1980	1,852,000	172,750
	No. of Com. Shares ‡	**Earn. per Share ‡**
1984	89,800,000	$ 2.57
1983	87,800,000	2.21
1982	82,400,000	2.28
1981	77,700,000	3.06
1980	71,500,000	2.33

x Restated to include operations of U.S. Telephone, Inc. acquired on a pooling of interests basis.
‡ Based on the average number of shares outstanding.
# Of continuing operations only.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.88	—	—
1983	1.80	—	—
1982	1.72	—	—
1981	1.64	—	—
1980	1.56	—	—

Common Stock Equity x

	Total Equity †	Equity Per Share +
1984	$1,676,649,000	$ 18.67
1983	1,598,126,000	18.20
1982	1,457,552,000	17.69
1981	1,317,116,000	16.95
1980	1,117,421,000	15.63

x Restated.
† After allowing for preferred stock at involuntary liquidation values of $40 per share for First Series and $33⅓ per share for Second Series.
+ Based on the average number of shares outstanding.

Income Account *
(000's)

Year ended Dec. 31	1984	1983 ‡
Telephone Syst.:		
Revenues	$ 2,145,167	$ 1,966,322
Maintenance	393,577	375,209
Depreciation	450,033	395,305
Other expenses	495,326	445,986
Income taxes	206,771	183,746
Other taxes	160,507	157,348
Oper. income	$ 438,953	$ 408,728
Other income	(4,097)	(1,686)
Interest expense	139,675	137,883
Pref. div. of subsid.	3,061	3,222
Income from Telephone Syst.	$ 300,314	$ 269,309
U.S. Telecom:		
Revenues	222,084	160,645
Expenses	332,695	220,870
Interest expenses	12,358	10,521
Income taxes	(54,054)	(22,259)
Minority interest	(828)	(1,444)
Loss from U.S. Telecom	$ (68,087)	$ (47,043)
Diversified oper.:		
Sales	490,589	451,664
Cost of sales	383,465	339,832
Expenses	107,220	100,814
Interest expense	4,042	4,524
Inc taxes (credit)	(2,748)	2,085

Income (loss) from diversified oper.	$ (1,390)	$ 4,409
Parent operations	(14,858)	(15,329)
Intercompany profit elim.	(108)	(317)
Income - cont. oper.	$ 215,871	$ 211,029
Inc. (loss) - discont oper.	19,367	(12,058)
Net Income	$ 235,238	$ 198,971

‡ Restated.

* Included in Costs and Expenses, Depreciation: $507,796,000 in 1984 and $443,536,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983 ‡
Cash	$ 40,572	$ 26,491
Invest. & deposits	98,230	136,980
Accts. receiv., net	544,243	339,349
Allow. for uncoll. accts.	(13,755)	(12,196)
*Inventories	144,284	127,771
Prepaid expenses	40,874	37,249
Current Assets	$ 854,448	$ 665,644
Investments & non-curr. receiv.	110,642	21,458
#Fixed assets	4,416,051	4,285,040
Defer. charges	29,181	26,173
Intangibles	30,358	45,129
Total Assets	$ 5,440,680	$ 5,033,444

Liabilities
(000's)

Outstanding checks	$ 72,437	$ 58,040
Notes payable	13,005	21,816
Long-term debt, curr.	49,361	42,842
Accts. payable	359,669	176,869
Comm. paper	64,344	66,863
Accrued interest	37,995	33,095
Advance billings	35,361	29,510
Accrued taxes	101,765	104,151
Other liab.	165,634	117,220
Curr. Liabilities	$ 899,571	$ 650,414
Long-term debt	1,836,239	1,816,045
Deferred credit	917,529	853,773
Minority interest	1,616	302
Redeem. pref. stock:		
Parent	31,600	32,800
Subsid.	14,405	14,838
Non-redeem. stock of subsid.	24,355	24,355
Preferred stock:		
+ First series	589	654
+ + Second series	3,041	3,358
+ + + Common stock	225,595	221,816
Emp. stock purch. install.	—	13,791
Add. paid-in capital	652,706	633,613
Retained earnings	833,434	767,685
Total Liabilities & Shareholders' Equity	$ 5,440,680	$ 5,033,444

‡ Restated.

* Utility inventories at average cost. Supply inventories and terminal equip. held for resale at lower of cost (FIFO) or market.

# Less accumulated depreciation.

+ $3.75 stated value, convertible.

+ + $3.125 stated value, convertible.

+ + + $2.50 par value.

Statistical Summary

%Net Income to Equity	13.71	12.13
Working Capital	—	$ 15,230,000
Current Ratio	—	1.02
Shareholders' Equity	$1,715,365,000	$1,640,917,000

United Telecontrol Electronics, Inc.

3500 Sunset Avenue
Asbury Park, New Jersey 07712
(201) 922-1000

Officers: Harold T. Sher, president; Raymond F. Herter, v.p., secretary & treasurer.

Directors: Harold T. Sher, Raymond F. Herter, Stanley R. Sprung, Philip H. Meyer, Jr.

Areas of Work: Memory systems and memory products, consisting of core planes or arrays, radar transponders, telemetry equipment, telephone converters.

Affiliates:

UTE Microwave, Inc.
3500 Sunset Avenue
Asbury Park, New Jersey 07712
Produces microwave components.

Transfer Agent(s):

National State Bank
Elizabeth, New Jersey

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UTEL (NASDAQ)

Number of Employees:

1984	N.A.	1982	175
1983	N.A.		

Plant Footage:

1984	N.A.	1981	50,000
1983	N.A.	1980	50,000
1982	50,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income +
1984	$ 13,,131,183	$ 1,725,586
1983	11,331,104	458,121
1982	4,478,316	(214,441)
1981	3,899,743	115,235
1980	3,203,662	38,214

	No. of Com. Shares †	Earn. per Share # +
1984	1,777,499	$ 0.97
1983	1,591,680	0.29
1982	1,591,680	—
1981	1,591,680	0.07
1980	1,591,680	0.03

(Loss)

+ Including extraordinary gains of $6,500 in 1984, $178,900 ($0.11 per share) in 1983 and $3,000 in 1980.

† Adjusted to reflect stock split.

Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	4-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 5,102,442	$ 2.87
1983	2,006,829	1.26
1982	1,548,708	0.97
1981	1,763,149	1.11
1980	1,647,914	1.04

‡ Adjusted to reflect stock split.

Income Account *

Year ended March 31	1984	1983
Net sales	$ 13,131,183	$ 11,331,104
Cost of sales	8,640,041	9,592,473
Expenses	1,476,308	1,077,480
Oper. Income	$ 3,014,834	$ 661,151
Other income	193,091	5,364
Total	$ 3,207,925	$ 666,515
Interest expense	33,258	134,221
Income before taxes	$ 3,174,667	$ 532,294
Income taxes	1,424,500	229,900
Minority interest	31,081	23,173
Net Income	$ 1,719,086	$ 279,221
Extraord. gain	6,500	178,900
Net Income & extraord. gain	$ 1,725,586	$ 458,121

* Included in Costs and Expenses, Depreciation and Amortization: $237,124 in 1984 and $196,118 in 1983.

Assets

As of March 31	1984	1983
Cash & securities	$ 1,604,875	$ 555,955
Marketable securities	2,455,330	—
Receiv., net	469,995	1,339,537
*Inventories	1,596,415	1,359,328
Other assets	261,466	13,194
Current Assets	$ 6,388,081	$ 3,268,014
#Fixed assets	892,868	879,351
Other assets	30,338	13,868
Total Assets	$ 7,311,287	$ 4,161,233

Liabilities

Long-term debt, curr.	$ 95,160	$ 97,664
Accts. payable	230,374	748,675
Accruals	1,574,325	584,999
Notes payable	—	350,000
Curr. Liabilities	$ 1,899,859	$ 1,781,338
Long-term debt	129,706	224,867
Minority interest	179,280	148,199
+ Common stock	184,170	45,942
Add. paid-in capital	2,088,309	993,137
Retained earnings	2,829,963	1,104,377
Treasury stock	—	(136,627)
Total Liabilities & Shareholders' Equity	$ 7,311,287	$ 4,161,233

* At lower of average cost or net realizable market.

# Less accumulated depreciation and amortization.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	24.18	4.70
%Net Income to Sales	13.09	2.46
%Net Income to Equity	33.69	13.91
Sales to Inventories	8.23	8.34
Working Capital	$4,488,222	$1,486,676
Current Ratio	3.36	1.83
Shareholders' Equity	$5,102,442	$2,006,829

Unitrode Corporation

5 Forbes Road
Lexington, Massachusetts 02173
(617) 861-6540

Officers: George M. Berman, chairman of the board & chief executive officer; William B. Mitchell, president & chief operating officer; Howard F. Wasserman, sr. v.p.-strategic operations; Arthur H. Bruno, pres., Unitrode Integrated Circuits Corp.; John F. Catrambone, v.p.-components marketing.

Gerald C. Bellis, v.p.-conversion products; Alan R. Shoolman, v.p.-planning & development; Edward Simon, v.p.-research & engineering; Walter B. Gates, v.p.-finance & treasurer; Robert R. Feier, v.p.-capacitors; Arthur Pappas, president-Power General Corp.; Richard S. Morse, Jr., secretary; William T. Campbell, Jr., controller.

Directors: George M. Berman, Norman Landstrom, Walter B. Gates, Kenneth Hecht, Peter A. Brooke, Arthur O. Choate, Jr., Arthur L. Goldstein, William B. Mitchell, Stephen R. Levy.

Areas of Work: Develops, manufactures, and markets semiconductors, ceramic capacitors, microelectronic components, and power supplies.

Subsidiaries:

Powercube Corporation
8 Suburban Park Drive
Billerica, Massachusetts 01821
(617) 862-6400

Unitrode Mexicana S.A. de C.V.
Agua Prieta, Sonora, Mexico

U.S. Microtek Components Corp.
Sun Valley, California
Manufactures ceramic chip capacitors and filters.

Power General Corporation
Canton, Massachusetts
Manufactures multiple-output switching power supplies, modular DC-DC converters and uninterruptible power supplies.

Transfer Agent(s):

First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York

Ticker Symbol: UTR

Number of Employees:

1985	N.A.	1982	2,274
1984	3,094	1981	1,985
1983	2,425		

Plant Footage:

1985	N.A.	1982	486,000
1984	635,000 sq. ft.	1981	413,600
1983	497,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income †
1985	$ 200,113,000	$ 22,215,000
1984	159,571,000	16,739,000
1983	131,132,000	13,640,000
1982	118,041,000	11,191,000
1981	103,601,000	10,402,000

	No. of Com. Shares ‡	Earn. per Share ‡ †
1985	13,464,000	$ 1.65
1984	13,385,000	1.25
1983	12,955,000	1.05
1982	12,730,000	0.88
1981	12,362,000	0.84

† Including extraordinary gain of $87,000 ($0.01 per share) in 1981.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1985	1984	1983	1982
Semiconductors	52%	50%	53%	60%
Capacitors	17	21	21	18
Data conversion devices	14	13	14	16
Power circuit modules	17	16	12	6
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1985	$0.20	—	—
1984	0.1625	—	2-for-1
1983	0.125	—	—
1982	0.125	—	2-for-1
1981	0.125	—	—

+ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share †
1985	$ 119,939,000	$ 9.07
1984	95,627,000	7.34
1983	75,034,000	5.88
1982	59,081,000	4.70
1981	45,832,000	4.07

† Adjusted to reflect stock splits.

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 200,113,316	$ 159,570,613
Cost of sales	111,376,728	87,002,102
Expenses	54,610,243	45,353,765
Interest income	(441,635)	(906,898)
Interest expense	1,342,483	1,593,229
Income before taxes	$ 33,225,497	$ 26,528,415
Income taxes	11,010,000	9,789,000
Net Income	$ 22,215,497	$ 16,739,415

* Included in Costs and Expenses, Depreciation and Amortization: $9,984,322 in 1985 and $8,452,487 in 1984.

Assets

As of Jan. 31	1985	1984
Cash	$ 505,203	$ 1,653,130
Marketable securities	12,614,872	6,920,337
Accts. & notes receiv., net	38,716,020	30,794,965
*Inventories	50,312,706	40,308,403
Prepaid expenses	1,131,425	1,657,678
Current Assets	$ 103,280,226	$ 81,334,513
#Fixed assets	56,508,850	53,565,313
Intangibles	2,938,648	3,027,481
Other assets	1,268,420	1,683,996
Total Assets	$ 163,996,144	$ 139,611,303

Liabilities

Long-term debt, curr.	$ 3,411,143	$ 2,941,052
Accts. payable	7,680,606	7,196,413
Accrued payroll	4,579,617	4,878,942
Other accruals	8,103,630	5,171,663
Income taxes	4,108,760	5,207,912
Curr. Liabilities	$ 27,883,576	$ 25,395,982
Long-term debt	11,329,314	13,523,900
Deferred inc. taxes	4,843,983	5,063,983
+ Common stock	2,735,671	2,735,671
Add. paid-in capital	22,247,388	20,361,570
Retained earnings	99,765,275	80,174,290
Treasury stock	(4,572,456)	(6,436,578)
Deferred compens.	(236,787)	(1,207,515)
Total Liabilities & Shareholders' Equity	$ 163,996,144	$ 139,611,303

* At current average cost but not in excess of net realizable value.
# Less accumulated depreciation.
+ $0.20 par value.

Statistical Summary

%Income bef. Taxes to Sales	16.60	16.62
%Net Income to Sales	11.10	10.49
%Net Income to Equity	18.52	17.50
Sales to Inventories	3.98	3.96
Working Capital	$ 75,396,470	$55,938,531
Current Ratio	3.70	3.20
Shareholders' Equity	$119,939,091	$95,627,438

Universal Security Instruments, Inc.

10324 South Dolfield Road
Owings Mills,Maryland 21117
(301) 363-3000

Officers: Stephen Knepper, chairman; Michael Kovens, president; Irvin Kovens, secretary & treasurer; Harvey Grossblatt, v.p. & chief financial officer; Scott Edwards, v.p.-sales; Martin Gerber, Sanford Olshansky, v.p.'s.

Directors: Stephen Knepper, chairman; Michael Kovens, Irvin Kovens, Mark Boyar.

Areas of Work: Designs, manufactures and markets burglar and fire alarm systems and other consumer electronic products including cordless telephones and video products.

Subsidiaries:

Cable Call, Inc.
Datarac Control Center, Inc.
Universal Security Instruments Disc. Inc.
Chesapeake Technologies, Inc.

Transfer Agent(s):

Maryland National Bank
Baltimore, Maryland 21201

Stock Exchange(s): Over-the-Counter

Ticker Symbol: USEC (NASDAQ)

Sales and Earnings

	Net Sales	Net Income
1984	$ 9,397,193	$ (921,575)
1983	15,567,256	(2,527,345)
1982	18,528,387	59,786
1981	13,564,805	653,024
1980	7,856,217	(268,590)

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,276,463	$ —
1983	2,405,759	—
1982	2,403,566	0.02
1981	2,371,503	0.27
1980	2,365,733	—

(Loss)
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend ‡	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	3-for-2
1981	—	—	—
1980	—	—	—

‡ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 8,846,342	$ 2.70
1983	3,431,125	1.43
1982	5,958,470	2.48
1981	5,848,344	2.45
1980	5,137,005	2.17

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Universal Security Instruments, Inc.

Income Account *

Year ended March 31	1984	1983
Net sales	$ 9,397,193	$ 15,567,256
Cost of sales	7,448,784	13,490,393
Expenses	2,733,167	4,172,486
Oper. Loss	$ (784,758)	$ (2,095,623)
Interest income	(236,167)	(71,512)
Interest expense	464,968	753,220
Equity in joint ventures	—	140,359
Other income	(91,984)	(5,567)
Loss before taxes	$ (921,575)	$ (2,912,123)
Tax credit	—	(384,778)
Net Loss	$ (921,575)	$ (2,527,345)

* Included in Costs and Expenses, Depreciation and Amortization: $329,637 in 1984 and $319,771 in 1983.

Assets

As of March 31	1984	1983
Cash	$ 50,656	$ 20,940
Time deposits	2,797,043	252,564
Accts. receiv., net	1,987,880	2,438,098
Refundable income taxes	30,778	410,795
*Inventories	5,754,780	4,001,510
Prepaid expenses	141,049	132,770
Current Assets	$ 10,762,186	$ 7,256,677
Accounts receivable	100,000	—
#Fixed assets	2,734,684	2,733,849
Cash held in escrow	485,101	448,618
Other assets & defer. charges	343,016	29,515
Total Assets	$ 14,424,987	$ 10,468,659

Liabilities

	1984	1983
Notes payable	$ —	$ 3,896,000
Bankers' acceptance	1,233,578	—
Oblig. under cap. lease, curr.	56,260	744,894
Accts. payable	388,860	655,980
Accruals	301,600	566,071
Notes payable	500,000	—
Curr. Liabilities	$ 2,480,298	$ 5,862,945
Long-term debt	2,448,919	1,166,546
Long-term oblig. under cap. lease	649,428	—
Deferred inc. taxes	—	8,043
+ Common stock	38,437	24,058
Add. paid-in capital	11,489,060	5,166,647
Retained earnings (deficit)	(2,681,155)	(1,759,580)
Total Liabilities & Shareholders' Equity	$ 14,424,987	$ 10,468,659

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

	1984	1983
Sales to Inventories	1.63	3.89
Working Capital	$8,281,888	$1,393,732
Current Ratio	4.34	1.24
Shareholders' Equity	$8,846,342	$3,431,125

UNR Industries, Inc.

(formerly Unarco Industries, Inc.)
332 South Michigan Avenue
Chicago, Illinois 60604
(312) 341-1234

Officers: David S. Leavitt, president & chief exec. officer; Sam Silverstein, president & chief operating officer; Robert A. Hoagland, Jr., v.p.; Robert J. Penn, v.p.-finance; Louis B. Guthmann, Jr., v.p., dir. of purchasing; David F. Starling, treasurer; Robert N. Grant, secretary; William C. McLaughlin, asst. secretary.

Directors: Edwin E. Hokin*, James W. Alsdorf, Edward W. Duffy, John P. Gallagher, Robert D. Judson*, David S. Leavitt, Charles W. Lubin, Dwight Rohn*, Sam Silverstein*.

*Member of the Executive Committee.

Areas of Work: Produces self-contained mobile units for on-site televising of special events. Manufactures towers for broadcasting and microwave systems for voice and data transmission. Also produces stainless steel sinks, outdoor grills, roller skates, outdoor furniture, accessories for industrial railroads, shopping carts and industrial shelving systems.

Subsidiaries:

Midwest Corporation
Box 271
Charleston, West Virginia 25321
(304) 343-8874

UNR Rohn, Inc.

UNR Leavitt

UNR Home Products

UNR Lighting

UNARCO Materials Storage

UNARCO Commercial Products

UNARCO Rubber Products

Midwest Distribution

Buddy's Discount Centers

Midwest Communications

Midwest Steel

Transfer Agent(s):

The First National Bank of Chicago
One First National Plaza
Chicago, Illinois 60670

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UNRI (NASDAQ)

Sales and Earnings

	Net Sales †	Net Income
1983	$ 305,500,574	$ (4,606,290)
1982	308,021,363	(17,010,777)
1981	335,651,857	5,996,993
1980	300,925,491	(4,420,763)
1979	314,268,323	7,592,916

	No. of Com. Shares	Earn. per Share ‡
1983	3,687,378	$ —
1982	3,687,378	—
1981	3,687,378	1.63
1980	3,687,378	—
1979	3,687,378	2.07

(Loss)
† Of continuing operations only.
‡ Based on the average number of common shares outstanding.

Revenues By Line of Business
(000's)

	1983	1982
Industrial	$ 129,249	$ 131,632
Commercial	32,598	32,251
Consumer	43,810	47,226
Communications	79,163	75,232
Transportation	20,681	21,680
Total	$ 305,501	$ 308,021

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1983	$ —	—	—
1982	—	—	—
1981	0.165	—	—
1980	0.825	—	—
1979	0.85	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1983	$ 45,536,382	$ 12.35
1982	50,142,672	13.60
1981	67,153,449	18.21
1980	61,764,899	16.75
1979	69,227,856	18.77

Income Account *

Year Ended Dec. 31	1983	1982
Net sales	$ 305,500,574	$ 308,021,363
Cost of sales	260,748,867	260,218,082
Expenses	42,572,988	47,542,544
Bankruptcy costs	4,700,000	2,800,000
Asbestos costs	—	7,574,602
Gain on inval. conver.	(1,105,007)	—
Goodwill write-off	—	1,915,817
Interest expense	1,400,069	9,167,440
Interest income	(3,733,285)	(1,369,669)
Income (loss) before taxes	$ 916,942	$ (19,827,453)
Tax credit	—	(5,500,000)
Inc. (loss)-cont. oper.	$ 916,942	$ (14,327,453)
Loss - discont. oper.	(5,523,232)	(2,683,324)
Net Loss	$ (4,606,290)	$ (17,010,777)

* Included in Costs and Expenses, Depreciation and Amortization: $6,505,673 in 1983 and $6,622,847 in 1982.

Assets

As of Dec. 31	1983	1982
Cash	$ 33,208,993	$ 34,279,136
Accts. & notes receiv., net	41,382,536	40,138,734
Income tax refund	—	5,000,000
*Inventories	86,493,177	74,320,531
Prepaid expenses	2,634,418	2,261,450
Current Assets	$ 163,719,124	$ 155,999,851
#Fixed assets	43,458,004	44,471,666
Other assets	1,165,266	10,036,299
Total Assets	$ 208,342,394	$ 210,507,816

Liabilities

	1983	1982
Long-term debt, curr.	$ 469,464	$ 594,711
Accts. payable	14,227,375	11,757,849
Accrued expenses	22,073,025	17,451,034
Curr. Liabilities	$ 36,769,864	$ 29,803,594
Long-term debt	10,922,452	11,621,400
Reorganization settle. liab.	115,113,696	118,940,150
+ Common stock	9,252,428	9,252,428
Add. paid-in capital	12,464,083	12,464,083
Retained earnings	23,888,968	28,495,258
Treasury stock	(69,097)	(69,097)
Total Liabilities & Shareholders' Equity	$ 208,342,394	$ 210,507,816

* Principally at LIFO.
# Less accumulated depreciation.
+ $2.50 par value.

Statistical Summary

	1983	1982
Sales to Inventories	3.53	4.14
Working Capital	$126,949,260	$126,196,257
Current Ratio	4.45	5.23
Shareholders' Equity	$ 45,536,382	$ 50,142,672

UTL Corporation

4500 West Mockingbird Lane
Dallas, Texas 75209
(214) 350-7601

Officers: C.C. Lee, president & chief exec. officer; Paul Spero, sr. v.p.-operations; R.H. Lichtenstein, v.p.-administration; Bob W. Maupin, sr. v.p.-advanced development; Bernard S. Bernard, v.p.-new business development; John Benson, secretary & treasurer.

Directors: Van A. Davidson, C.C. Lee, Robert McCulloch, H.L. Simpson, Robert Hibbert.

Areas of Work: Engaged in the design, development and manufacture of electronic systems and subsystems which are used by the United States and foreign military services in reconnaissance, surveillance and electronic countermeasure activities.

Transfer Agent(s):

Texas American Bank
Trust Department
P.O. Box 35207
Dallas, Texas 75235

Stock Exchange(s): Over-the-Counter

Ticker Symbol: UTLC (NASDAQ)

Number of Employees:

1984	281	1981	245
1983	260	1980	236
1982	240		

Plant Footage:

1984	75,000 sq. ft.	1981	91,250
1983	91,000	1980	90,000
1982	91,000		

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 22,846,760	$ 4,185,079
1983	19,006,000	2,711,142
1982	16,680,909	1,963,914
1981	16,341,542	1,311,233
1980	16,660,776	912,923

	No. of Com. Shares +	Earn. per Share ‡ +
1984	4,828,000	$ 0.87
1983	3,969,000	0.68
1982	3,630,000	0.54
1981	3,562,000	0.36
1980	3,496,000	0.25

‡ Including extraordinary credits of $216,000 ($0.06 per share) in 1982, $528,000 ($0.15 per share) in 1981 and $385,000 ($0.11 per share) in 1980.

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	2-for-1

Common Stock Equity

	Total Equity ‡	Equity Per Share +
1984	$ 29,243,098	$ 6.06
1983	25,502,608	6.43
1982	6,572,562	1.81
1981	4,093,884	1.15
1980	2,678,131	0.77

+ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

‡ After allowing for preferred stock at liquidation value.

Income Account *

Year ended June 30	1984	1983
Revenues	$ 22,846,760	$ 19,006,000
Contract costs	14,728,836	12,374,110
Expenses	2,799,876	2,513,735
Interest income	(1,072,739)	(313,391)
Dividend income	(977,733)	(251,871)
Interest expense	154,238	128,719
Other expense (income)	376,203	27,556
Income before taxes	$ 6,838,079	$ 4,527,142
Income taxes	2,653,000	1,816,000
Net Income	$ 4,185,079	$ 2,711,142

* Included in Costs and Expenses, Depreciation: $431,392 in 1984 and $327,621 in 1983.

Assets

As of June 30	1984	1983
Cash	$ 1,307,023	$ 2,148,562
Temp. invest.	9,136,157	13,200,000
Market. secur.	—	2,560,462
Receiv., net	3,489,581	4,476,930
Accounts receivable	1,341,512	—
Long-term contracts	7,803,794	3,993,366
Prepaid expenses	102,580	150,321
Current Assets	$ 23,180,647	$ 26,529,641
Marketable securities	7,497,772	—
Investments & adv.	342,574	373,547
#Fixed assets	3,157,937	3,125,457
Other assets & defer. charges	20,235	23,985
Total Assets	$ 34,199,165	$ 30,052,657

Liabilities

Long-term debt, curr.	$ 71,192	$ 144,111
Accts. payable	1,118,079	1,310,010
Cust. advances	1,023,327	653,490
Accruals	802,047	957,630
Fed. inc. taxes	1,104,097	553,096
Curr. Liabilities	$ 4,118,742	$ 3,618,337
Long-term debt	577,825	648,212
Def. fed. inc. taxes	197,000	221,000
+/Preferred stock	62,500	62,500
+ + Common stock	1,196,172	1,191,422
Add. paid-in capital	20,899,248	20,847,587
Allowances on marketable secur.	(501,000)	—
Retained earnings	7,659,928	3,474,849
Treasury stock	(11,250)	(11,250)
Total Liabilities & Shareholders' Equity	$ 34,199,165	$ 30,052,657

# Less accumulated depreciation and amortization.
+ No par value; $0.625 stated value, noncumulative.
+ + $0.25 par value.

Statistical Summary

%Income bef. Taxes to Revenues	29.93	23.82
%Net Income to Revenues	18.32	14.26
%Net Income to Equity	14.28	10.60
Working Capital	$19,061,905	$22,911,304
Current Ratio	5.63	7.33
Shareholders' Equity	$29,305,598	$25,565,108

Varian Associates, Inc.

611 Hansen Way
Palo Alto, California 94303
(415) 493-4000

Officers: Thomas D. Sege, chairman of the board & chief exec. officer; Jerome J. Meyer, pres. & chief oper. officer; Larry L. Hansen, exec. v.p-corp. technology; George W. O'Dair, exec. v.p.-fin. & admin.; Alan J. Bennett, v.p.-research; George Caryotakis, v.p. & managing dir.-Varian European Operations; Stanley Z. Cole, v.p.-patents & licensing; John J. Cooper, v.p.-gen. counsel & secty.; William E. Finney, pres.-Medical & Industrial Prods. Group; Ralph W. Kane, v.p.-Intl. Development; Kerry M. Kenady, v.p.-mfg.; Allen J. Lauer, pres.-Instrument Group; Robert A. Lemos, v.p. & treas.; Donald R. MacBlane, v.p. & controller; David F. Minnery, pres.-Int'l. Group; Norman H. Pond, pres.-Electron Device Group; Elmo E. Sanders, v.p.-human resources; Gary E. Simpson, v.p.-corporate communications; Jon D. Tompkins, pres.-Semiconductor Equipment Group.

Directors: Thomas D. Sege*, chairman, George W. O'Dair, Kenneth J. Arrow, Ruth M. Davis, C. Lester Hogan*, William F. Miller*, Gordon E. Moore, Kenneth Oshman, Joseph M. Pettit, H. Myrl Stearns*, David D. Ulmer, Jerome J. Meyer*, Larry L. Hansen, James C. Gaither*, Edward L. Ginzton*

* Member of the Executive Committee

Areas of Work: Manufactures microwave, power and special-purpose electron tubes and devices for defense and communications; analytical instruments for science and industry; wafer-fabrication equipment for the semiconductor industry; radiation equipment for cancer therapy; vacuum equipment and leak detectors for industrial and scientific processes; and miniature magnetic components for computers and telecommunications.

Divisions and Subsidiaries:

Electron Device Group

Microwave Tube Division
611 Hansen Way
Palo Alto, California 94303
(415) 493-4000
Klystrons, traveling wave tubes, gyrotrons.

Image Tube Division
601 California Avenue
Palo Alto, California 94304
(415) 493-1800
X-ray imaging tubes, night vision devices, and microchannel plates.

EIMAC Division
301 Industrial Way
San Carlos, California 94070
(415) 592-1221

1678 S. Pioneer Road
Salt Lake City, Utah 84104
(801) 972-5000
Power grid tubes, ceramic/metal products, X-ray tubes.

Solid State Microwave Division
3251 Olcott Street
Santa Clara, California 95050
(408) 988-1331
Solid state oscillators and amplifiers, YIG-tuned devices, microwave and milimeter-wave semiconductors.

Microwave Equipment Division
3200 Patrick Henry Drive
Santa Clara, California 95050
(408) 496-6273
Power amplifiers and power supplies, microwave components, electromagnets.

Beverly Microwave Division
8 Salem Road
Beverly, Massachusetts
(617) 922-6000
Magnetrons, cross-field amplifiers, modulators, solid state, microwave components, ring-loop traveling-wave tubes, radar subsystems and receiver protectors.

Semicon Associates
1801 Old Frankfurt Pike
Lexington, Kentucky 40504
(606) 255-3664
Dispenser cathodes.

Canada Microwave Division
45 River Drive
Georgetown, Ontario
Canada L7G 2J4
Klystrons, traveling and milimeter-wave tubes, power supplies.

Thorn EMI-Varian Ltd. (affiliate)
248 Blythe Road
Hayes, England UB3 1HR
Microwave tubes.

Varian Associates, Inc.

Instrument Group

Palo Alto Instrument Division
611 Hansen Way
Palo Alto, California 94303
(415) 493-4000
Nuclear magnetic resonance (NMR) spectrometers.

Walnut Creek Instrument Division
2700 Mitchell Drive
Walnut Creek, California 94587
(415) 939-2400
Gas and liquid chromatographs, data systems, laboratory information management systems.

Varian Techtron Pty. Ltd.
679 Springvale Road
Mulgrave, Victoria 3170
Melbourne, Australia
Atomic absorption and UV/VIS spectrophotometers.

Medical & Industrial Products Group

Radiation Division
611 Hansen Way
Palo Alto, California 94303
(415) 493-4000
Medical and radiographic linear accelerators, electron radiography imaging systems.

Pulse Engineering
7250 Convoy Court
San Diego, California 92111
(619) 268-2400
Data coupling and pulse transformers, delay lines, switching magnetics.

The Potter Company
P.O. Box 337
942 Highway 51
Wesson, Mississippi 39191
EMI/RFI filters, film capacitors.

Specialty Metals Division
3515 Grove City Road
Grove City, Ohio 43123
(614) 875-7912
Materials used in thin film coating systems.

Varian-TEM, Limited
Gatwick Road
Crawley, West Sussex
England
Radiotherapy planning simulators.

Memory Disk Operation
3580 Bassett
Santa Clara, CA 95054
(408) 986-9888
Memory disk sputtering system.

Vacuum Products Division
121 Hartwell Avenue
Lexington, MA 02173
(617) 861-7200

3100 Jay Street
Santa Clara, CA 95051
(408) 727-0590

Via Varian, 54
I-10040 Leini (Torino)
Italy
Leak detectors; gauges; vacuum pumps, systems, and accessories.

International Group

ANELVA Corporation (affiliate)
5-8-1 Yotsuya
Fuchu
Tokyo, Japan
Produces vacuum products.

TEL-Varian Ltd.
2381-Ohara, Kita Gejo Fugu-cho
Nirasaki-City
Yamanashi
Japan
Ion implanters.

Semiconductor Equipment Group

Extrion Division
Blackburn Industrial Park
P.O. Box 1226
Gloucester, Massachusetts 01930
(617) 281-2000
Ion implantation equipment, rapid thermal processing equipment.

Thin Film Technology Division
611 Hansen Way
Palo Alto, California 94303
(415) 493-4000
Sputtering molecular beam epitaxy systems, automatic wafer transport systems.

Lithography Products Division
Blackburn Industrial Park
Dory Road
PO Box 1226
Gloucester, Massachusetts 01930
Mask-making and direct-write electron beam lithography systems.

Analytichem International, Inc.
24201 Frampton Ave.
Harbor City, CA 90710
(213) 539-6490
Sample preparation products.

Transfer Agent(s):
The First National Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): New York, Pacific

Ticker Symbol: VAR

Number of Employees:

1984	16,000	1981	13,000
1983	13,600	1980	14,000
1982	12,600		

Plant Footage:

1984	4,600,000 sq ft	1981	3,600,000
1983	3,600,000	1980	3,749,000
1982	3,600,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$ 928,700,000	$ 59,877,000
1983	760,200,000	44,881,000
1982	691,200,000	26,500,000
1981	638,400,000	(3,600,000)
1980	554,300,000	22,100,000

	No. of Com. Shares †	Earn. per Share #
1984	21,817,000	$ 2.72
1983	21,402,000	2.14
1982	19,537,000	1.47
1981	16,005,000	—
1980	15,615,000	1.38

(Loss)
+ Of continuing operations only.
† Adjusted to reflect stock split.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Electron devices	$ 403,000	$ 364,000
Analytical instruments	145,000	124,000
Semiconductor equip.	190,000	120,000
Medical & industrial prods.	213,000	159,000
Adjust. & eliminations	(22,000)	(7,000)
Total	$ 929,000	$ 760,000

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.26	—	—
1983	0.26	—	2-for-1
1982	0.26	—	—
1981	0.26	—	—
1980	0.245	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share +
1984	$ 426,946,000	$ 19.57
1983	362,500,000	16.93
1982	274,700,000	14.06
1981	192,100,000	12.00
1980	195,200,000	12.50

+ Adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 928,715	$ 760,250
Cost of sales	604,927	498,904
Expenses	229,556	193,492
Interest expense	6,132	12,012
Interest income	(10,227)	(12,011)
Non-recurring credit	—	(4,538)
Income before taxes	$ 98,327	$ 72,391
Income taxes	38,450	27,510
Net Income	$ 59,877	$ 44,881

* Included in Costs and Expenses, Depreciation: $20,473,000 in 1984 and $17,513,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & short-term invest.	$ 64,523	$ 100,773
Accts. receiv., net	195,177	156,683
*Inventories	205,269	149,444
Other	49,317	39,137
Current Assets	$ 514,286	$ 446,037
#Fixed assets	178,141	139,016
Other assets	28,323	13,679
Total Assets	$ 720,750	$ 598,732

Liabilities
(000's)

Notes payable	$ 14,961	$ 7,833
Accts. payable	53,797	41,955
Accruals	119,432	95,093
Prod. warranty	16,756	16,212
Adv. pay. from cust.	26,262	21,322
Curr. Liabilities	$ 231,208	$ 182,415
Long-term debt	43,108	42,265
Deferred inc. taxes & invest. tax credit	19,488	11,563
+ Common stock	21,817	21,708
Add. paid-in capital	173,180	170,452
Retained earnings	231,949	177,714
Treasury stock	—	(7,385)
Total Liabilities & Shareholders' Equity	$ 720,750	$ 598,732

* At lower of cost (LIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.59	9.52
%Net Income to Sales	6.45	5.90
%Net Income to Equity	14.02	12.38
Sales to Inventories	4.52	5.09
Working Capital	$283,078,000	$263,622,000
Current Ratio	2.22	2.45
Shareholders' Equity	$426,946,000	$362,489,000

Varo, Inc.

2203 West Walnut Street
Post Office Box 461426
Garland, Texas 75046
(214) 487-4100

Officers: Samuel T. Yanagisawa, chairman of the board & chief executive officer; James F. Gero, president & chief oper. officer; Stanley J. Sadlowski, sr. v.p.; Clifford L. Steward, v.p., secretary, treasurer & chief financial officer; William R. Mason, v.p.-corp. planning & develop.; Leo J. Eveleth, Jr., v.p. & chief personnel officer; Robert L. Esser, asst. secretary and controller.

Directors: Samuel T. Yanagisawa, James F. Gero, Joseph V. Manner, Jr., John W. Turner, Eugene L. Miller, Donald R. Scheuch, Russell D. O'Neal, C.B. Sung, Stanley J. Sadlowski, Clifford L. Steward.

Areas of Work: Manufactures high-technology products, principally night vision equipment and image intensification on tubes, weapons delivery systems, power conversion products, metal optics, and semiconductor products. Most of the Company's products have application in the defense industry.

Divisions:

Integrated Systems Group
2201 W. Walnut Street
P.O. Box 469015
Garland, Texas 75046
(214) 487-4100

Power Systems Group
2201 W. Walnut St.
P.O. Box 469015
Garland, Texas 75046
(214) 487-4100

Electron Devices Division
2203 W. Walnut Street
P.O. Box 469014
Garland, Texas 75046
(214) 487-4100

Subsidiaries:

Varo Semiconductor, Inc.
900 North Shiloh Road
P.O. Box 469013
Garland, Texas 75046
(214) 487-4300

Applied Optics Center Corporation
2005 Whitfield Industrial Way
Sarasota, Florida 33580
(813) 756-0636

Designs and produces precision metal optics and optic assemblies for defense, aerospace, and communications applications.

Transfer Agent(s):

RepublicBank Dallas, National Association
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: VRO

Number of Employees:

1984	1,400	1981	1,570
1983	1,490	1980	2,003
1982	1,490		

Plant Footage:

1984	N.A.	1981	475,000
1983	519,000 sq. ft.	1980	475,000
1982	515,000		

N.A.-Not Available

Sales and Earnings

	Oper. Revenues +	Net Income	No. of Com. Shares	Earn. per Share #
1985	$ 94,470,000	$ 1,634,000	4,529,372	$ 0.36
1984	100,792,000	4,870,000	4,491,582	1.08
1983	88,380,000	900,000	4,483,182	0.20
1982	77,332,000	1,990,000	4,482,142	0.45
1981	83,148,000	6,576,000	4,471,752	1.48

+ Of continuing operations only.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1985	1984
Electronic syst. & prods.:		
Military	$ 61,088	$ 67,910
Commercial	28,909	27,877
Other prods.	4,473	5,005
Total	$ 94,470	$ 100,792

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.40	—	—
1984	0.40	—	—
1983	0.40	—	—
1982	0.40	—	—
1981	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 53,554,000	$ 11.82
1984	53,232,000	11.85
1983	49,980,000	11.15
1982	50,744,000	11.32
1981	50,315,000	11.25

Income Account *
(000's)

Year ended April 30	1985	1984
Oper. revenues	$ 94,470	$ 100,792
Cost of sales & contracts	71,494	74,487
Expenses	23,722	18,791
Interest income	(515)	(1,166)
Interest expense	359	376
Other expense (income)	(14)	300
Income (loss) before taxes	$ (576)	$ 8,004
Income taxes (credit)	(2,210)	3,134
Net Income	$ 1,634	$ 4,600

* Included in Costs and Expenses, Depreciaton and Amortization: $3,093,000 in 1984 and $2,826,000 in 1983.

Assets
(000's)

As of April 30	1985	1984
Cash	$ 1,604	$ 1,738
Cert. of dep.	—	5,673
Receiv., net	14,734	15,151
*Inventories	39,266	32,842
Prepaid expenses	882	1,060
Deferred inc. taxes	3,011	2,170
Current Assets	$ 59,497	$ 58,634
#Fixed assets	24,734	23,272
Other assets	969	1,508
Total Assets	$ 85,200	$ 83,414

Liabilities
(000's)

Long-term debt, curr.	$ 343	$ 330
Accts. payable	8,410	5,555
Accruals	7,256	7,160
Advances	7,589	7,100
Curr. Liabilities	$ 23,598	$ 20,145
Long-term debt	1,620	1,879
Cap. lease oblig.	1,500	1,584
Deferred inc. taxes	3,124	5,187
Def. gain & credits	1,804	1,387
+Common stock	454	453
Add. paid-in capital	10,069	9,837
Retained earnings	43,409	43,581
Treasury stock	(159)	(404)
Stock plan def. compens.	(219)	(235)
Total Liabilities & Shareholders' Equity	$ 85,200	$ 83,414

* At lower of average cost or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value

Statistical Summary

%Income bef. Taxes to Revenues	—	7.94
%Net Income to Revenues	1.73	4.56
%Net Income to Equity	3.05	8.64
Working Capital	$35,899,000	$38,489,000
Current Ratio	2.52	2.91
Shareholders' Equity	$53,554,000	$53,232,000

Veeco Instruments Inc.

515 Broad Hollow Road
Melville, New York 11747
(516) 694-4200

Officers: Albert Nerken, chairman of the board; Allen E. Busching, president & chief executive officer; Edward H. Braun, executive v.p. & chief operating officer; Joshua A. Hauser, sr. v.p. & general manager-Lambda Power Supplies; Steven Goldschein, v.p.-administration, chief financial officer & treasurer; David Lubart, secretary; Lawrence S. Brochin, asst. secretary.

Directors: Albert Nerken, chairman; Philip L. Defliese, David Lubart, R.C. Mercure, Jr., Joseph Ponce, Murray Rosenzweig, Edward H. Braun, Allen E. Busching, Susan Fisher

Areas of Work: Manufactures high and ultra high vacuum systems and components, hybrid voltage regulators, monolithic voltage regulators, power transistors, power semiconductor products, transformers, and Lambda direct current (dc) regulated power supplies and power instruments for general electronic applications.

Divisions and Subsidiaries:

Lambda Electronics Division
515 Broad Hollow Road
Melville, New York 11747

Industrial Equipment Division
Terminal Drive
Plainview, New York 11803

Power Monolithics, Inc.
Corpus Christi, Texas 78410

VEECO Macronetics Inc.
Sunnyvale, California 94086

Veeco/Ai Inc.
Austin, Texas 78760

Veeco S.A.
Orsay, France

Veeco GmbH
Knorrstrasse 142
8000 Munich 45, West Germany

Lambda Electronique S.A.
O[illegible], France

Veeco Instruments, Ltd
High Wycombe, Bucks, England

Lambda Electronica de Mexico, S.A.
Reynosa, Mexico

IsLAMBDA Electronics Ltd
Tel Aviv, Israel

Veeco Lambda Ltd
100C Hymus Boulevard
Pointe-Claire
Quebec 730, Canada

Lambda Netzgerate GmbH
Achern, Germany

NEMIC-Lambda K.K. (60% interest)
Tokyo, Japan

Lambda Electronics Ltd
Carmel, Israel

NEMIC-Lambda (Singapore) Pte. Ltd
Singapore

Veeco Lambda S.r.l.
Milan, Italy

Transfer Agent(s):

The Chase Manhattan Bank
New York, New York

Stock Exchange(s): New York

Ticker Symbol: VEE

Number of Employees:

1984	2,300	1982	2,200
1983	2,300		

Plant Footage:

1984	721,000 sq. ft.	1982	675,000
1983	688,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 158,010,000	$ 14,575,000
1983	122,132,000	10,058,000
1982	114,345 000	8,522,000
1981	111,070,000	10,174,000
1980	105,247,000	10,683,000

	No. of Com. Shares †	Earn. per Share #
1984	9,613,589	$ 1.52
1983	9,615,489	1.05
1982	9,615,489	0.89
1981	9,615,489	1.06
1980	9,615,489	1.12

† Adjusted to reflect stock splits.
# Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1984	1983
Power supply	$ 117,453,000	$ 92,845,000
Semiconductor	12,886,000	11,386,000
Industrial equipment	30,757,000	20,475,000
Eliminations	(3,086,000)	(2,574,000)
Total	$ 158,010,000	$ 122,132,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.22	—	—
1982	0.20	—	—
1981	0.20	—	3-for-2
1980	0.20	—	2-for-1

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 78,456,000	$ 8.16
1983	68,033,000	7.08
1982	60,324,000	6.27
1981	55,141,000	5.73
1980	46,662,000	4.85

‡ Adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 158,010,000	$ 122,132,000
Cost of sales	83,895,000	66,630,000
Expenses	35,312,000	28,675,000
Research & develop.	8,889,000	6,228,000
Other income	(158,000)	(980,000)
Interest expense	1,836,000	1,584,000
Income before taxes	$ 28,236,000	$ 19,995,000
Income taxes	12,214,000	8,860,000
Income before minority interest	$ 16,022,000	$ 11,135,000
Minority interest	1,447,000	1,077,000
Net Income	$ 14,575,000	$ 10,058,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,890,000 in 1984 and $3,479,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 9,425,000	$ 14,976,000
Accts. receiv., net	39,280,000	27,743,000
*Inventories	49,628,000	35,145,000
Prepaid expenses	4,719,000	2,407,000
Current Assets	$ 103,052,000	$ 80,271,000
#Fixed assets	26,982,000	23,349,000
Other assets	594,000	560,000
Intangibles	3,310,000	2,771,000
Total Assets	$ 133,938,000	$ 106,951,000

Liabilities

	1984	1983
Notes payable	$ 3,116,000	$ 1,171,000
Long-term debt, curr.	1,288,000	1,669,000
Accts. payable	18,843,000	11,829,000
Accruals	10,392,000	6,867,000
Income taxes	3,846,000	2,788,000
Curr. Liabilities	$ 37,485,000	$ 24,324,000
Long-term debt	11,135,000	9,326,000
Deferred taxes & credits	3,691,000	2,510,000
Minority interest	3,171,000	2,758,000
+Common stock	9,618,000	9,615,000
Add. paid-in capital	243,000	227,000
Retained earnings	71,339,000	59,841,000
Trans. adjust.	(2,662,000)	(1,650,000)
Treasury stock	(82,000)	—
Total Liabilities & Shareholders' Equity	$ 133,938,000	$ 106,951,000

* At lower of cost (FIFO) and average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	17.87	16.37
%Net Income to Sales	9.22	8.24
%Net Income to Equity	18.58	14.78
Sales to Inventories	3.18	3.48
Working Capital	$65,567,000	$55,947,000
Current Ratio	2.75	3.30
Shareholders' Equity	$78,456,000	$68,033,000

Vermont Research Corporation

Precision Park
North Springfield, Vermont 05150
(802) 886-2256

Officers: Hugh M. Taft, president & treasurer; Richard A. Stover, director of technology; Edward D. Winkler, Jr., controller; John G. Kristensen, clerk; Robert G. Kaseta, v.p.-engineering.

Directors: Hugh M. Taft, Richard A. Stover, J. Franklin Jones, Jr., John G. Moody, Stuart J. Lock.

Areas of Work: Engaged in the development, design and manufacture of drums, discs and other basic memory devices for the computer industry.

Subsidiaries:

Vermont Research Limited
Cleeve Road
Leatherhead, Surrey, England KT227NB

Vermont Research International Sales Corp.
Precision Park
North Springfield, Vermont 05150
(802) 886-2256

Transfer Agent(s):

State Street Bank and Trust Company
P. O. Box 1370
Boston, Massachusetts 02107

Stock Exchange(s): American

Ticker Symbol: VRE

Sales and Earnings

	Net Sales	Net Income
1984	$ 9,488,000	$ (817,000)
1983	10,100,000	(1,488,000)
1982	13,489,000	1,143,000
1981	16,298,000	2,689,000
1980	16,085,000	2,796,000

	No. of Com. Shares †	Earn. per Share #
1984	1,952,933	$ —
1983	1,952,924	—
1982	1,952,822	0.58
1981	2,052,822	1.32
1980	1,852,822	1.51

(Loss)
† Adjusted to reflect stock split.
# Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.15	—	—
1982	0.15	—	—
1981	0.15	—	—
1980	0.10	—	2-for-1

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 10,851,000	$ 5.42
1983	11,668,000	5.98
1982	13,758,000	7.05
1981	14,301,000	6.97
1980	6,322,000	3.41

‡ Adjusted to reflect stock split.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 9,488,000	$ 10,100,000
Cost of sales	6,258,000	7,448,000

Expenses	5,209,000	6,678,000
Interest expense	40,000	60,000
Interest income	(425,000)	(497,000)
Other income	(45,000)	(350,000)
Loss before taxes	$ (1,549,000)	$ (3,239,000)
Tax credit	(732,000)	(1,751,000)
Net Loss	$ (817,000)	$ (1,488,000)

* Included in Costs and Expenses. Depreciation: $518,000 in 1984 and $460,000 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 5,388,000	$ 4,285,000
Accts. receiv., net	1,186,000	1,872,000
Refundable income taxes	693,000	1,754,000
*Inventories	2,923,000	3,182,000
Prepaid taxes	112,000	148,000
Deferred income taxes	126,000	178,000
Current Assets	$ 10,428,000	$ 11,419,000
#Fixed assets	1,936,000	2,211,000
Other assets	81,000	135,000
Total Assets	$ 12,445,000	$ 13,765,000

Liabilities

Long-term debt, curr.	$ 229,000	$ 210,000
Accts. payable	440,000	800,000
Accrued payroll	209,000	156,000
Other accruals	489,000	382,000
Curr. Liabilities	$ 1,367,000	$ 1,548,000
Long-term debt	124,000	356,000
Deferred income taxes	103,000	193,000
+ Common stock	1,026,000	1,026,000
Add. paid-in capital	5,468,000	5,468,000
Retained earnings	6,051,000	6,868,000
For. curr. trans. adjust.	(310,000)	(310,000)
Treasury stock	(1,384,000)	(1,384,000)
Total Liabilities & Shareholders' Equity	$ 12,445,000	$ 13,765,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.50 par value.

Statistical Summary

Sales to Inventories	3.25	3.17
Working Capital	$ 9,061,000	$ 9,871,000
Current Ratio	7.63	7.38
Shareholders' Equity	$10,851,000	$11,668,000

Vernitron Corporation

2001 Marcus Avenue
Lake Success, New York 11042
(516) 775-8200

Officers: Herman S. Nathanson, chairman of the board & chief executive officer; Albert Diamond, president; Bernard Levine, vice chairman; Benjamin Kittner, vice president & president-PED-O-JET International; Benjamin K. Sachs, v.p. & secretary; Michael J. Goldman, v.p. & chief financial officer; Daniel A. Nathanson, exec. v.p.; Lawrence J. Schwartz, general counsel & asst. secretary.

Directors: Herman S. Nathanson*, chairman; Bernard Levine, Albert Diamond*, Benjamin Kittner, Benjamin K. Sachs, Jack D. Morrison, Richard H. Weisinger, Daniel A. Nathanson*.

* Member of the Executive Committee.

Divisions and Subsidiaries:

Control Components Division
1601 Precision Park Lane
San Diego, California 92073
(619) 428-5581
Synchros, resolvers, gyro pick-offs, remote indicators, and indicator assemblies.

VERNITECH Division
300 Marcus Boulevard
Deer Park, New York 11729
(516) 586-5100
Solid state signal converters, digital encoders, and servo motors for use in robotics and office equipment and potentiometers.

Magnetic Technology Division
21001 Kittridge Street
Canoga Park, California 91303
(213) 887-7700
Direct drive DC motors and tachometers.

Piezoelectric Division
232 Forbes Road
Bedford, Ohio 44146
(216) 232-8600
Piezoelectric ignition devices, transducers, sensors, precision electronic filters.

BEAU Products Divsion
P.O. Box 10
117 Union Avenue
Laconia, New Hampshire 03246
(603) 524-5101
Electrical connectors and terminal strips.

LIFEMED Division
2107 Del Amo Boulevard
Compton, California 90220
(213) 638-6167
Supplies a line of artificial kidney machines as well as the disposable coils and blood sets used in dialysis treatments; vascular access devices.

PED-O-JET International
5 Empire Boulevard
Carlstadt, New Jersey 07072
(201) 641-5500
Maufacture and marketing of jet injection apparatus for the mass inoculation market.

Lafayette Precision Products
115 Banker Street
Brooklyn, New York 11222
(212) 383-4545
Precision metal grinding.

Lafayette Precision Products
292 North Henry Street
Brooklyn, New York 11222
(212) 383-4545
Manufacturer of paper cutting knives, carbide tipped saw blades, metal slitting knives and cutting tools.

AIE Division
701 Murfreesboro Road
Nashville, Tennessee 37210
(615) 244-0024
Manufactures transformers, inductors, and LC filters for the telecommunications military, data processing and office products industries.

AST/Servo Systems, Inc.
930 Broadway
Newark, New Jersey 07104
(201) 484-4233
A major distributor of ball bearings.

2448 Walnut Ridge Street
Dallas, Texas 75229
(214) 620-9004

20 Republic Road
North Billerica, Massachusetts 01862
(617) 667-8541
Engaged in the distribution of ball bearings, electromechanical components, assemblies, and test equipment for industrial, educational, and aerospace applications.

Vernitron Limited
Bursledon Road
Southampton S09 5QF England

VRN International
P.O.4400
2801 72nd Street
St. Petersburg, Florida 33743
(813) 347-2181
Produces cermet and wirewound trimmer potentiometers and precision single turn and multi-turn wirewound potentiometers.

Vernitron Medical Products Division
5 Empire Boulevard
Carlstadt New Jersey 07072
(201) 641-5500
Produces and markets industrial quality washers, dryers, aspirators and sterilizers, primarily for use in hospitals and laboratories.

Brevel Motors
Carlstadt, New Jersey
Scarborough, Ontario
Southampton, England
Manufactures small electric motors.

Acquisition(s):

Lorch Electronics Corp
Englewood, New Jersey
Manufactures active and passive RF and IF signal processing components.

Transfer Agent(s):

National Westminister Bank, USA
New York, New York

Stock Exchange(s): American, Pacific

Ticker Symbol: VRN

Plant Footage:

1983 . . . . . . 180,000 sq. ft.

Sales and Earnings

	Net Sales +	Net Income
1984	$ 146,601,000	$ 6,415,000
1983	130,201,000	6,390,000
1982	131,389,000	6,419,000
1981	136,524,000	8,000,000
1980	125,325,000	7,432,000

	No. of Com. Shares †	Earn. per Share ‡
1984	6,204,077	$ 1.01
1983	6,041,828	1.02
1982	5,931,398	1.06
1981	5,800,533	1.35
1980	5,446,584	1.34

+ Of continuing operations only.
† Adjusted to reflect stock split.
‡ Based on the weighted average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.17	—	—
1983	0.13	—	—
1982	0.10	—	—
1981	0.10	—	—
1980	0.08	—	5-for-4

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 71,462,000	$ 11.52
1983	64,084,000	10.61
1982	57,406,000	9.68
1981	50,795,000	8.76
1980	38,882,000	7.14

† Adjusted to reflect stock split.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 146,601,000	$ 130,201,000
Cost of sales	106,038,000	94,880,000
Expenses	29,177,000	24,049,000
Interest expense	1,904,000	1,781,000
Other income	(219 900)	(2,279,000)
Income before taxes	$ 9,701,000	$ 11,770,000
Income taxes	3,286,000	5,380,000
Net Income	$ 6,415,000	$ 6,390,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,567,000 in 1984 and $3,134,000 in 1983.

Assets

As of	12/29/84	12/31/83
Cash	$ 8,692,000	$ 15,356,000
Accts. receiv., net	23,704,000	20,468,000
*Inventories	49,965,000	40,204,000
Other curr. assets	1,945,000	3,659,000
Current Assets	$ 84,306,000	$ 79,687,000
#Fixed assets	30,348,000	24,486,000
Mortgage proceeds receiv.	4,650,000	—
Other assets	2,717,000	2,357,000
Total Assets	$ 122,021,000	$ 106,530,000

Liabilities

Notes payable	$ 5,000,000	$ 4,500,000
Long-term debt, curr.	1,558,000	929,000
Accts. payable	7,295,000	5,594,000
Accruals	10,376,000	13,046,000
Income taxes	3,203,00	149,000
Curr. Liabilities	$ 27,432,000	$ 24,218,000
Long-term debt	21,659,000	16,284,000
Def. inc. taxes	1,468,000	1,944,000
+ Class B common stock	25,000	25,000
+ Common stock	621,000	605,000
Add. paid-in capital	23,228,000	21,015,000
Retained earnings	48,744,000	43,364,000
Treasury stock	(46,000)	(46,000)
Foreign currency translation adjustment	(1,110,000)	(879,000)
Total Liabilities & Shareholders' Equity	$ 122,021,000	$ 106,530,000

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.62	9.04
%Net Income to Sales	4.38	4.91
%Net Income to Equity	8.98	9.97
Sales to Inventories	2.93	3.24
Working Capital	$56,874,000	$55,469,000
Current Ratio	3.07	3.29
Shareholders' Equity	$71,462,000	$64,084,000

Vicon Industries, Inc.

525 Broad Hollow Road
Melville, New York 11747
(516) 293-2200

Officers: Donald N. Horn, president & chief executive officer; Arthur V. Wallace, executive v.p.; Arthur C. Berman, secretary; Kenneth M. Darby, v.p.-finance & treasurer; Stuart I. Chambers, v.p.-sales; Ivor R. Segalowitz, v.p.-operations; Rein S. Randmae, v.p.-engineering.

Directors: Donald N. Horn, Arthur C. Berman, Arthur V. Wallace, Frederick Hainfield, Jr., Peter F. Barry.

Areas of Work: Designs and manufactures closed circuit television equipment for the security and surveillance market. Principal products consist of pan and tilt drives and scanners, video switchers and controls, housings and enclosures, mounting accessories, consoles and lenses.

Subsidiary:

Vicon Industries (U.K.) Ltd.
Portsmouth, England

Transfer Agent(s):

National Westminster Bank, USA
80 Pine Street
New York, New York 10005

Stock Exchange(s): American

Ticker Symbol: VII

Number of Employees:

1984	400	1981	412
1983	400	1980	325
1982	385		

Plant Footage:

1984	110,000 sq. ft.	1981	90,000
1983	110,000	1980	70,000
1982	90,000		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 29,331,255	$ 1,906,301
1983	25,979,738	1,318,621
1982	22,041,214	783,523
1981	18,963,229	1,355,959
1980	17,838,631	1,184,858

	No. of Com. Share +	Earn. per Share + †
1984	2,366,847	$ 0.80
1983	2,322,552	0.56
1982	2,315,271	0.34
1981	2,285,840	0.59
1980	1,900,439	0.61

† Including extraordinary gain of $459,689 ($0.19 per share) in 1984.
+ Based on the weighted average number of shares outstanding and equivalent shares from dilutive stock options adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	50%	—
1982	—	—	—
1981	—	50%	—
1980	—	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 13,451,496	$ 5.68
1983	11,667,260	5.02
1982	10,396,047	4.49
1981	9,856,284	4.31
1980	8,286,501	4.36

‡ Based on the weighted average number of shares outstanding and equivalent shares from dilutive stock options adjusted to reflect stock dividends.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 29,331,255	$ 25,979,738
Cost of sales	21,223,516	18,798,511
Expenses	5,383,458	4,836,371
Interest expense	831,652	237,468
Interest income	(37,133)	(81,233)
Write-off of registration costs	158,150	—
Income before taxes	$ 1,771,612	$ 2,188,621
Income taxes	325,000	870,000
Net Income	$ 1,446,612	$ 1,318,621
Extraordinary gain	459,689	—
Net Income & extraordinary gain	$ 1,906,301	$ 1,318,621

* Included in Costs and Expenses, Depreciation and Amortization: $742,905 in 1984 and $460,352 in 1983.

Assets

As of Sept. 30	1984	1983
Cash	$ 130,872	$ 74,899
Certificate of deposit	—	756,427
Notes receivable	411,478	25,358
Accts. receiv., net	4,576,583	4,211,599
*Inventories	15,204,841	11,374,268
Prepaid expenses	255,774	156,605
Current Assets	$ 20,579,548	$ 16,599,156
#Fixed assets	10,747,012	3,179,891
Proj. acq. costs	—	3,708,921
Temp. invest.	—	981,776
Other assets	71,607	17,997
Total Assets	$ 31,398,167	$ 24,487,741

Liabilities

Notes payable	$ 2,225,000	$ 1,668,562
Long-term debt, curr.	548,701	585,855
Accts. payable	3,913,072	3,525,958
Accruals	488,704	530,532
Income taxes	173,636	693,293
Curr. Liabilities	$ 7,349,113	$ 7,004,140
Long-term debt	10,204,645	5,591,428
Deferred income taxes	392,913	224,913
+ Common stock	23,354	23,230
Add. paid in capital	5,271,137	5,222,007
Retained earnings	8,549,790	6,643,489
For. curr. trans.	(392,785)	(221,466)
Total Liabilities & Shareholders' Equity	$ 31,398,167	$ 24,487,741

* At lower of cost (moving average which approximates FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.01 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.04	8.42
%Net Income to Sales	4.93	5.08
%Net Income to Equity	10.75	11.30
Sales to Inventories	1.93	2.28
Working Capital	$13,230,435	$ 9,595,016
Current Ratio	2.80	2.37
Shareholders' Equity	$13,451,496	$11,667,260

Vishay Intertechnology, Inc.

63 Lincoln Highway
Malvern, Pennsylvania 19355
(215) 644-1300

Officers: Felix Zandman, president & chief executive officer; Robert A. Freece, v.p., treasurer & chief financial officer; Moshe Shamir, v.p.; William J. Spires, v.p. & secretary.

Directors: Alfred P. Slaner, chairman; Felix Zandman, Robert A. Freece, Milton N. Scofield, Gerald N. Frank, Edward B. Shils.

Areas of Work: Produces precision resistors and resistive devices, strain gages, electronic equipment to read and record the output of strain gages and strain gage transducers, services and equipment in visual and optical measurement sciences for the stress analysis field, with applications in dentistry, and technical teaching aids to colleges, technical schools, and industrial training institutes.

Divisions and Subsidiaries:

Resistive Systems Group

Resistive Systems Group Hq.
63 Lincoln Highway
Malvern, Pennsylvania 19355

Vishay Resistor Products (West)
La Habra, California 90631

Vishay-Israel, Limited
2 Haofan Street
Holon, Israel

Vishay Micro-Mesures S.A.
98 Boulevard Gabriel Peri
92240 Malakoff, France

Nippon Vishay (K.K.)
Machimoku Bldg
Tokyo, 194, Japan

Vishay Registor Products Italy
Via Matteotti 55/8
20068 Peschiera Borromeo
Italy

Vishay-Mann, Ltd
Wymondham, Norfolk
England, NR 180RA

Angstrohm Precision, Inc
Hagerstown, Maryland

Jordon Electric, Inc
San Diego, California

Geka, S.A
Paris, France

Elliott Industries
Calabasas, California

Measurements Group, Inc

Measurements Group Headquarters
U.S. Highway 64
Wendell, North Carolina 27611

Instruments Division

Photolastic Division

Micro-Measurements Division
38905 Chase Road
Romulus, Michigan 48174

Measurements Group GmbH
8032 Lochham
Am Lochhamer Schlag 6
Munich, West Germany

Transfer Agent(s):

Mellon Bank (East)
Philadelphia, Pennsylvania

Stock Exchange(s): New York

Ticker Symbol: VSH

Number of Employees:

1984	1,400	1981	1,100
1983	1,100	1980	1,400
1982	1,100		

Sales and Earnings

	Net Sales #	Net Income +
1984	$ 48,531,628	$ 6,103,046
1983	42,161,020	4,422,550
1982	41,068,550	3,236,145
1981	37,418,331	1,549,657
1980	37,100,610	501,188

	No. of Com. Shares ‡	Earn. per Share ‡ +
1984	3,894,589	$ 1.57
1983	3,894,589	1.30
1982	3,089,727	1.05
1981	3,089,727	0.50
1980	3,089,727	0.16

Of continuing operations only.
+ Including extraordinary loss of $2,719,712 ($0.88 per share) in 1980.
‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	5%	—
1982	—	5%	—
1981	—	5%	—
1980	—	5%	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 41,370,002	$ 10.62
1983	35,286,987	9.06
1982	21,413,796	6.93
1981	18,200,040	5.89
1980	16,644,035	5.39

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock dividends.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 48,531,628	$ 42,161,020
Cost of sales	26,614,274	22,420,023
Expenses	14,304,399	13,194,811
Other (income)	(348,854)	32,993
Income before taxes	$ 7,961,809	$ 6,513,193
Income taxes	1,858,763	2,090,643
Net Income	$ 6,103,046	$ 4,422,550

* Included in Costs and Expenses, Depreciation and Amortization: $1,917,729 in 1984 and $1,964,911 in 1983.

Assets

As of June 30	1984	1983
Cash & cert. of deposit	$ 12,968,403	$ 9,022,333
Short-term invest.	3,443,086	4,260,831
Acct. receiv., net	9,816,490	8,533,647
*Inventories	14,873,285	14,573,750
Deferred inc. taxes	194,053	193,306
Prepaid expenses & other assets	375,887	477,635
Current Assets	$ 41,671,204	$ 37,061,502
#Fixed assets	14,357,539	13,047,246
Other assets	1,242,497	569,630
Total Assets	$ 57,271,240	$ 50,678,378

Liabilities

	1984	1983
Notes payable	$ 4,826,225	$ 5,382,696
Long-term debt, curr.	470,662	455,170
Accts. payable	1,335,336	931,132
Commissions & payable	461,152	441,809
Payroll & other accrued expenses	3,995,812	3,511,571
Income taxes	460,904	741,437
Curr. Liabilities	$ 11,550,091	$ 11,463,815
Long-term debt	4,087,135	3,760,222
Deferred taxes	264,012	167,354
+ Common stock	389,458	370,913
Add. paid-in capital	25,046,380	21,769,573
Retained earnings	16,194,530	13,383,346
Currency translation adj.	(260,366)	(236,845)
Total Liabilities & Shareholders' Equity	$ 57,271,240	$ 50,678,378

* At lower of standard production cost or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income before Taxes to Sales	16.41	15.45
%Net Income to Sales	12.58	10.49
%Net Income to Equity	14.75	12.53
Sales to Inventories	3.26	2.89
Working Capital	$30,121,113	$25,597,687
Current Ratio	3.61	3.23
Shareholders' Equity	$41,370,002	$35,286,987

Vitramon, Incorporated

Route 25
Monroe, Connecticut 06468
(203) 268-6261

Mailing address:

P.O. Box 544
Bridgeport, Connecticut 06601

Officers: Barton L. Weller, chairman of the board & chief exec. officer; Robert H. Paquette, v.p.-finance & treasurer; David R. Chipman, secretary and general counsel; Robert Swart, v.p.-engineering; Rulf Mueller, v.p.-European operations; John F. Pierce, asst. secretary.

Directors: Barton L. Weller, chairman; Earle A. Hallstrom, William H. Parr, David B. Morgan, Jr., Howard L. Richardson, Richard J. Broderick, William A. Prior.

Areas of Work: Engaged in the manufacture of monolithic ceramic capacitors for the electronics industry in the United States and abroad. Products are classified in three major categories, porcelain, ceramic and chip capacitors. These components are basic elements in all electronic equipment — including communications, computers, instruments, wrist watches, heart pacemakers and mobile radios. They consist of layers of dielectric material (porcelain or ceramic) and electrodes (metal plates) that form a monolithic body when used in furnaces.

Subsidiaries:

Vitramon North America
P.O. Box 544
Bridgeport, Connecticut 06601

Vitramon Limited
Wycombe Lane
Wooburn Green
Bucks, England

Vitramon Pty. Limited
P.O. Box 375
Kogarah, N.S.W., 2217
Australia

Vitramon Japan Limited
Nihon Igaku Bldg. 302
1-2-13 Tamagawa Setagaya-ku
Tokyo 158, Japan

Vitramon do Brasil Ltda.
Caixa Postal 19127
01000 Sao Paulo
Brazil

Vitramon GmbH
Muhlbachstrasse, 7
7150 Backnang-Waldrems
West Germany

Vitramon France S.A.R.L.
1, rue Felix-Eboue
94021 Creteil l'Echat
France

Transfer Agent(s):

The Connecticut Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): Over-the-Counter

Ticker Symbol: VITR (NASDAQ)

Number of Employees:

1984	728	1981	569
1983	723	1980	613
1982	606		

Plant Footage:

1984	139,000 sq. ft.	1981	123,000
1983	139,000	1980	123,000
1982	139,000		

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 29,832,000	$ 711,000
1983	23,558,000	705,000
1982	20,681,000	132,000
1981	18,630,000	(1,657,000)
1980	20,460,000	1,389,000

	No. of Com. Shares +	Earn. per Share + ‡
1984	1,762,706	$ 0.40
1983	1,770,954	0.40
1982	1,756,414	0.08
1981	1,750,606	—
1980	1,802,890	0.77

(Loss)

+ Based on the average number of shares outstanding adjusted to reflect stock dividends.

‡ Including extraordinary gains of $84,000 ($0.05 per share) in 1984, $234,000 ($0.13 per share) in 1983 and $204,000 ($0.12 per share) in 1982.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	—	5%	—
1983	—	5%	—
1982	—	5%	—
1981	—	5%	—
1980	—	5% & 10%‡	—

+ Adjusted to reflect stock dividends.

‡ Paid Feb., 1981.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 8,339,000	$ 4.75
1983	7,951,000	4.54
1982	7,537,000	4.31
1981	7,660,000	4.38
1980	9,824,000	5.65

‡ Adjusted to reflect stock dividends.

Income Account *

Year ended	12/29/84	12/31/83
Net sales	$ 29,832,000	$ 23,558,000
Cost of sales	20,085,000	14,642,000
Expenses	7,147,000	6,515,000
Interest expense	1,087,000	520,000
For. curr. exch.	706,000	539,000
Income before taxes	$ 807,000	$ 1,342,000
Income taxes	180,000	871,000
Net Income	$ 627,000	$ 471,000
Extraord. item	84,000	234,000
Net Income and extraord. item	$ 711,000	$ 705,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,604,000 in 1984 and $1,223,000 in 1983.

Assets

As of	12/29/84	12/31/83
Cash & temp. invest.	$ 328,000	$ 189,000
Accts. receiv., net	4,467,000	3,982,000
*Inventories	8,090,000	6,439,000
Future inc. tax benefits	668,000	431,000
Prepaid expenses	196,000	92,000
Current Assets	$ 13,749,000	$ 11,133,000
Investments & other assets	467,000	501,000
#Fixed assets	8,039,000	6,990,000
Total Assets	$ 22,255,000	$ 18,624,000

Liabilities

Long-term debt, curr.	$ 4,126,000	$ 2,346,000
Accts. payable	1,478,000	1,448,000
Accruals	1,033,000	1,085,000
Income taxes	989,000	550,000
Curr. Liabilities	$ 7,626,000	$ 5,429,000
Long term dept.	5,462,000	3,961,000
Deferred liab.	828,000	1,283,000
+Common stock	176,000	167,000
Add. paid-in capital	8,099,000	7,484,000
Retained earnings	1,499,000	1,373,000
Cum. translation adjust.	(1,435,000)	(1,073,000)
Total Liabilities & Shareholders' Equity	$ 22,255,000	$ 18,624,000

* At production or purchase cost (FIFO) or market, whichever is lower.

# Less accumulated depreciation.

+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	2.71	5.70
%Net Income to Sales	2.10	3.00
%Net Income to Equity	7.52	8.87
Sales to Inventories	3.69	3.66
Working Capital	$6,123,000	$5,704,000
Current Ratio	1.80	2.05
Shareholders' Equity	$8,339,000	$7,951,000

Wang Laboratories, Inc.

One Industrial Avenue
Lowell, Massachusetts 01851
(617) 459-5000

Officers: An Wang, chairman of the board & chief exec. officer; Harry H.S. Chou, vice chairman, treasurer & chief financial officer; John F. Cunningham, president & chief operating officer; Jon F. Kropper, exec. v.p.-manufacturing; Frederick A. Wang, exec. v.p. & chief development officer; Eugene M. Bullis, sr. v.p. & corporate controller; Edward D. Grayson, sr. v.p., general counsel clerk & secretary; Raymond C. Cullen, Jr., Robert L. Doretti, Robert S. Kolk, J. Carl Masi, Johannes Spanjaard, Horace Tsiang, Dodge Chu, Edward J. Devin, sr. v.p.'s.

Directors: An Wang, chairman of the board; Peter A. Brooke; Frederick A. Wang, Lorraine C. Wang, John F. Cunningham, Harry H.S. Chou, Martin Kirkpatrick, Richard A. Smith, Louis W. Cabot, Ernest F. Stockwell, Jr., Leo L. Beranek.

Areas of Work: Designs, manufactures, markets and services computers and related peripheral devices for the office, information marketplace. These products are combined into systems which perform data processing, word processing, audio processing and image processing functions and include networking products which enable such systems to communicate with each other.

Subsidiaries:

Wang Computer Pty., Ltd.
Box 407, Milsons Point
Sydney, N.S.W. 2061
Australia

Wang Gesellschaft m.b.H.
Linke Wienzeille 234
A-1150 Vienna
Austria

Wang Europe S.A./N.V.
350, Avenue Louise
1050 Brussels
Belgium

Wang Canada, Ltd.
225 Duncan Mills Road
1st. Floor
Don Mills, Ontario
Canada M3B 3K9

Wang Industrial Co. Ltd.
Taipei, Taiwan

Wang (UK) Ltd.
Wang House
661 London Road
Isleworth
Middlesex, TW7 4EH
United Kingdom

Wang Computer Limited
Hazama Building 14th Floor
5-8, Kita Aoyama 2-Chome
Minato-Ku, Tokyo 107
Japan

Wang Europe
S.A./N.V.
Luxemburg

Wang Computer Ltd.
Eden House
44 Khyber Pass Road
Aukland
New Zealand

Wang Computer (Pte.) Ltd.
101 Thomson Road, 12-00
Gold Hill Square
Singapore 1130
Republic of Singapore

Wang France S.A.
Tour Gallieni 1
78/80 Avenue Gallieni
93170 BAGNOLET
France

Wang Deutschland, GmbH
Lyoner Strasse 26
Postfach 710 570
6000
West Germany

Wang Nederland B.V.
Postbus 4
4100 AA Culemborg
Netherlands

Wang Skandinaviska AB
Dalvagen 8
Box 1196
S-171 23 Solna
Sweden

Wang Italia, S.p.A.
Centro Terziario
Strada Statale
Padana Superoire
Vimodrone 20090
Milano
Italy

Wang A.G.
Talackerstrasse 7
8152 Glattbrugg
P.O. Box 8065
Zurich
Switzerland

Wang Pacific Limited
31st Floor, Hennessy Centre
Causeway Bay
500 Hennessy Road
Hong Kong

Wang Computadoras, Inc.
Banco Popular Center
Suite 1501
Hato Rey
Puerto Rico
00918

Wang Ireland Limited
Wang House
Harcourt Centre
Harcourt Street
Dublin 2
Ireland

Wang de Panama S.A.
Apartado 6425
Ave. Justo Arosemena
Cale 44, Bella Vista
Panama City 5
Panama

Transfer Agent(s):

Bank of Boston
100 Federal Street
Boston, Massachusetts 02110

Stock Exchange(s): American

Ticker Symbol: WAN

Number of Employees:

1984	27,700	1981	15,774
1983	24,769	1980	11,670
1982	19,759		

Sales and Earnings

	Revenue	Net Income
1984	$2,184,700,000	$ 210,200,000
1983	1,538,000,000	152,000,000
1982	1,159,309,000	107,139,000
1981	856,376,000	78,073,000
1980	543,272,000	52,113,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	138,100,000	$ 1.52
1983	130,600,000	1.16
1982	121,700,000	0.88
1981	114,800,000	0.68
1980	106,400,000	0.50

‡ Based on the weighted average number of Class B Common and Class C Common shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984 Class B	$0.12	—	—
1984 Class C	0.07	—	—
1983 Class B	0.09	—	2-for-1#
1983 Class C	0.04	—	—
1982 Class B	0.06	—	—
1982 Class C	0.02	—	—
1981 Class B	0.0575	—	2-for-1#
1981 Class C	0.02	—	—
1980 Class B	0.04	—	—
1980 Class C	0.03	—	—

+ Adjusted to reflect stock splits.

# In the form of a dividend of one share of Class B Common Stock for each share of Class B Common Stock and Class C Common Stock issued.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$1,249,400,000	$ 9.01
1983	937,800,000	7.09
1982	577,110,000	4.82
1981	465,596,000	3.90
1980	191,496,000	1.88

‡ Based on the weighted average number of Class B Common and Class C Common shares outstanding adjusted to reflect stock splits.

Income Account *

Year ended June 30	1984	1983
Net sales	$1,699,200,000	$1,203,000,000
Other income	485,500,000	335,000,000
Total Income	$2,184,700,000	$1,538,000,000
Cost of sales	1,117,100,000	722,300,000
Expenses	779,800,000	600,300,000
Interest expense	26,600,000	25,700,000
Income before taxes	$ 261,200,000	$ 189,700,000
Income taxes	51,000,000	37,700,000
Net Income	$ 210,200,000	$ 152,000,000

* Included in Costs and Expenses, Depreciation and Amortization: $139,900,000 in 1984 and $108,200,000.

Assets

As of June 30	1984	1983
Cash	$ 16,000,000	$ 12,700,000
Short-term invest.	57,000,000	220,100,000
Accts. receiv., net	445,200,000	320,900,000
*Inventories	562,800,000	316,200,000
Prepaid expenses & other curr. assets	46,900,000	57,700,000
Current Assets	$1,127,900,000	$ 927,600,000
#Fixed assets	551,100,000	373,600,000
Other assets	572,900,000	380,600,000
Total Assets	$2,251,900,000	$1,681,800,000

Liabilities

Notes payable	$ 95,100,000	$ 34,300,000
Commercial paper	97,100,000	—
Long-term debt, curr.	21,200,000	27,700,000
Accts. payable	248,500,000	188,800,000
Unearned serv. revenue	69,400,000	45,500,000
Income taxes	6,500,000	6,200,000
Dividends payable	4,100,000	3,200,000
Curr. Liabilities	$ 541,900,000	$ 308,700,000
Long-term debt	358,600,000	363,300,000
Deferred inc. taxes	102,000,000	72,000,000
+ Class B Common	66,100,000	62,800,000
+ Class C Common	3,200,000	3,300,000
Add. paid-in capital	576,700,000	453,600,000
For. curr. trans. adj.	(33,600,000)	(24,800,000)
Retained earnings	637,400,000	443,400,000
Treasury stock	(400,000)	(500,000)
Total Liabilities & Shareholders' Equity	$2,251,900,000	$1,681,800,000

* At lower of cost (FIFO) or market.

# Less accumulated depreciation and amortization.

+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Total Income	11.96	12.33
%Net Income to Total Income	9.62	9.88
%Net Income to Equity	16.82	16.21
Working Capital	$ 586,000,000	$618,900,000
Current Ratio	2.08	3.00
Shareholders' Equity	$1,249,400,000	$937,800,000

Waters Instruments, Inc.

2411 Seventh Street, N.W.
Valley High Industrial Park
Rochester, Minnesota 55903
(507) 288-7777

Mailing address:

P.O. Box 6117
Rochester, Minnesota 55903

Officers: George F. Waters, chairman of the board; Thomas A. Burton, president & chief exec. officer; Richard E. Thompson, v.p.-Farm Products Group; Robert D. Dunbar, v.p.-Sub-Contract Group; George Sedivy, v.p.-Medical Group; James M. Liberko, secretary & treasurer.

Directors: Charles A. Elliott, John C. Enblom, Stan D. Donnelly, Newell O. Gaasedelen, J. William McRoberts, George F. Waters, Thomas A. Burton.

Divisions:

Farm Products Division
Rochester, Minnesota
Products: electric fence chargers for farm use.

Subcontracting Division
Rochester, Minnesota
Engaged in sub-contract manufacturing of cable harness assemblies and other electric or mechanical assemblies for computer equipment manufacturers.

Medical Division
Rochester, Minnesota
Produces electro-medical equipment and analytical instruments for hospital and laboratory use. Oximeters for measuring the oxygen saturation of human blood, cardiac out-put computers for determining heart function and 'MOX' 100 kidney preservation equipment used in kidney transplant surgery.

Transfer Agent(s):

Norwest Bank Minneapolis, N.A.
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WTRS (NASDAQ)

Number of Employees:

1985	255	1982	N.A.
1984	222	1981	N.A.
1983	201		

Plant Footage:

1985	100,000 sq. ft.	1982	96,000
1984	100,500	1981	96,000
1983	96,000		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1985	$ 14,674,000	$ 449,000
1984	13,065,000	393,000
1983	12,245,000	394,000
1982	10,898,000	530,000
1981	8,723,856	365,601

	No. of Com. Shares	Earn. per Share +
1985	943,630	$ 0.47
1984	943,630	0.42
1983	942,930	0.42
1982	942,430	0.56
1981	936,500	0.38

+ Based on the average number of shares outstanding.

Revenues By Line of Business

	1985	1984
Sub-contract division	$ 5,703,000	$ 4,126,000
Farm products div.	7,323,000	6,984,000
Medical division	1,648,000	1,955,000
Total	$ 14,674,000	$ 13,065,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.10	—	—
1984	0.10	—	—
1983	0.10	—	—
1982	0.09	—	—
1981	0.07	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 5,171,000	$ 5.48
1984	4,782,000	5.07
1983	4,481,000	4.75
1982	4,179,000	4.43
1981	3,796,000	4.05

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 14,674,000	$ 13,065,000
Cost of sales	11,195,000	9,812,000
Expenses	2,832,000	2,486,000
Oper. profit	$ 647,000	$ 767,000
Other income	(290,000)	(86,000)
Interest expense	103,000	110,000
Income before taxes	$ 834,000	$ 743,000
Income taxes	385,000	350,000
Net Income	$ 449,000	$ 393,000

* Included in Costs and Expenses, Depreciation and Amortization: $224,000 in 1984 and $154,000 in 1983.

Assets

As of Jan. 31	1985	1984
Cash & marketable secur.	$ 705,000	$ 1,184,000
Receiv., net	1,743,000	1,760,000
*Inventories	3,400,000	2,927,000
Prepaid expenses	37,000	59,000
Current Assets	$ 5,885,000	$ 5,930,000
#Fixed assets	1,180,000	1,173,000
Other assets	437,000	137,000
Intangibles	298,000	315,000
Total Assets	$ 7,800,000	$ 7,555,000

Liabilities

	1985	1984
Notes payable	$ 175,000	$ 337,000
Accts. payable	992,000	1,061,000
Accruals	566,000	527,000
Inc. taxes payable	67,000	5,000
Curr. Liabilities	$ 1,800,000	$ 1,930,000
Long-term debt	726,000	726,000
Deferred inc. tax credits	103,000	117,000
+ Common stock	95,000	96,000
Add. paid-in capital	1,141,000	1,184,000
Retained earnings	3,935,000	3,580,000
Treasury stock	—	(78,000)
Total Liabilities & Shareholders' Equity	$ 7,800,000	$ 7,555,000

* Raw materials stated at lower of cost (FIFO) or market; work in process and finished goods stated at cost (FIFO), but not in excess of realizable values.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	5.68	5.69
%Net Income to Sales	3.06	3.01
%Net Income to Equity	8.68	8.22
Sales to Inventories	4.32	4.46
Working Capital	$4,085,000	$4,000,000
Current Ratio	3.27	3.07
Shareholders' Equity	$5,171,000	$4,782,000

Waters Manufacturing, Inc.

Longfellow Center
Wayland, Massachusetts 01778
(617) 358-2777

Officers: Robert A. Waters, president & chairman of the board; Salvatore F. Mazzarini, v.p. and treasurer; Stephen W. Howe, clerk.

Directors: Robert A. Waters, chairman; Salvatore F. Mazzarini; Harry Sugarman; Samuel J. Davy; Real O. Roy; Richard N. Silverman; Stephen W. Howe.

Areas of Work: Designs and manufactures precision potentiometers, professional audio controls and torque measuring equipment for use in industry and government.

Transfer Agent(s):

Bank of Boston
Boston, Massachusetts

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	96	1981	115
1983	100	1980	120
1982	115		

Plant Footage:

1984	24,000 sq. ft.	1981	24,000
1983	24,000	1980	24,000
1982	24,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 3,426,916	$ 196,142
1983	3,023,792	78,630
1982	3,684,892	231,146
1981	3,886,640	352,866
1980	3,773,259	268,171

	No. of Com. Shares	Earn. per Share
1984	534,690	$ 0.37
1983	534,690	0.15
1982	534,690	0.43
1981	534,690	0.66
1980	539,266	0.49

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,561,256	$ 4.79
1983	2,365,114	4.42
1982	2,286,484	4.28
1981	2,055,338	3.84
1980	1,711,730	3.17

Income Account *

Year ended April 30	1984	1983
Net sales	$ 3,426,916	$ 3,023,792
Cost of sales	2,324,029	2,223,915
Expenses	850,030	771,543
Oper. profit	$ 252,857	$ 28,334
Other income	90,285	79,496
Income before taxes	$ 343,142	$ 107,830
Income taxes	147,000	29,200
Net Income	$ 196,142	$ 78,630

* Included in Costs and Expenses, Depreciation and Amortization: $93,649 in 1984 and $118,047 in 1983.

Assets

As of April 30	1984	1983
Cash	$ 129,359	$ 63,736
Cert. of deposit	899,205	549,045
Accts. receiv., net	524,196	478,136
*Inventories	1,096,626	1,120,005
Prepaid expenses & sundry receiv.	26,896	47,788
Refund. inc. taxes	—	52,191
Current Assets	$ 2,676,282	$ 2,310,901
#Fixed assets	302,915	298,571
Other assets	13,174	67,768
Total Assets	$ 2,992,371	$ 2,677,240

Liabilities

	1984	1983
Cash overdraft	$ —	$ 41,023
Accts. payable	112,096	102,721
Accruals & sundry liab.	190,337	150,585
Income taxes	111,212	—
Cap. lease oblig., curr.	4,219	3,676
Curr. Liabilities	$ 407,864	$ 298,005
Cap. lease oblig.	—	4,085
Deferred inc. taxes	23,251	10,036
+ Common stock	577,057	577,057
Add. paid-in capital	196,936	196,936
Retained earnings	1,854,559	1,658,417
Treasury stock	(67,296)	(67,296)
Total Liabilities & Shareholders' Equity	$ 2,992,371	$ 2,677,240

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	10.01	3.55
%Net Income to Sales	5.72	2.60
%Net Income to Equity	7.66	3.32
Sales to Inventories	3.12	2.70
Working Capital	$2,268,418	$2,012,896
Current Ratio	6.56	7.75
Shareholders' Equity	$2,561,256	$2,365,114

Watkins-Johnson Company

Stanford Industrial Park
3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Officers: Dean A. Watkins, chairman of the board; H. Richard Johnson, president & chief executive officer; W. Keith Kennedy, Jr., v.p.-Devices Group; William E. Kunz, v.p.-Systems Group; Bernard Rosen, Bruce G. Bleecker, O. Thomas Purl, Keith D. Gilbert, Kenneth W. Bach, Robert C. Lowe, Peter S. Pao, v.p.'s; C. Louise Beer, secretary; H. Edward Beckmeyer, treasurer; Carl L. Avelar, controller.

Directors: Dean A. Watkins, H. Richard Johnson, John J. Hartmann, Nathan C. Finch, Rita R. Campbell, Jack L. Shepard, Von R. Eshleman, H. Edward Beckmeyer.

Areas of Work: Engaged in the development, design and production of receiving equipment for surveillance, direction finding and countermeasures; antenna-to-data-reduction reconnaissance and surveillance systems, solid-state amplifiers, travelling-wave and backward-wave tubes and oscillators, tuners, receivers and computer controlled microwave receiving systems.

Divisions:

Systems Group
  Recon Division
  2525 N. Arst Street
  San Jose, California 95131
  (415) 493-4141

Devices Group
  Solid State Subsystems Division
  Solid State Devices Division
  3333 Hillview Avenue
  Palo Alto, California 94304
  (415) 493-4141

Subsidiaries:

Watkins-Johnson Associates
3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Watkins-Johnson International
3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Watkins-Johnson Limited
3333 Hillview Avenue
Palo Alto, California 94304
(415) 493-4141

Watkins-Johnson Italiana, S.p.A.
Rome, Italy

Watkins-Johnson FSC

Transfer Agent(s):

Bank of America

Stock Exchange(s): New York, Phila-Balt-Wash, Pacific, Boston

Ticker Symbol: WJ

Number of Employees:

1984	3,050	1981	2,540
1983	2,850	1980	2,710
1982	2,690		

Plant Footage:

1984	N.A.	1981	799,000
1983	N.A.	1980	799,000
1982	881,000 sq. ft.		

N.A. - Not Available.

Sales and Earnings

	Net Sales	Net Income
1984	$ 210,510,000	$ 21,898,000
1983	186,034,000	17,726,000
1982	156,066,000	10,338,000
1981	132,426,304	6,682,327
1980	132,793,539	7,091,665

	No. of Com. Shares +	Earn. per Share +
1984	9,671,430	$ 2.26
1983	9,620,874	1.84
1982	9,569,145	1.08
1981	9,563,055	0.70
1980	9,537,171	0.74

+ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983	1982	1981
Systems	59%	61%	56%	57%
Devices	41	39	44	43
Total	100%	100%	100%	100%

Common Stock

	Cash Dividend +	Stock Dividend	Stock Split
1984	$0.32	—	—
1983	0.23	—	3-for-1
1982	0.16	—	—
1981	0.16	—	—
1980	0.16	—	—

+ Adjusted to reflect stock split.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 115,174,000	$ 11.91
1983	96,074,000	9.99
1982	80,228,000	8.38
1981	71,159,954	7.44
1980	65,850,498	6.90

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 210,510,000	$ 186,034,000
Cost of sales	132,941,000	118,680,000
Expenses	50,461,000	44,352,000
Other income	(1,785,000)	(6,304,000)
Income before taxes	$ 28,893,000	$ 29,306,000
Income taxes	6,995,000	11,580,000
Net Income	$ 21,898,000	$ 17,726,000

* Included in Costs and Expenses, Depreciation and Amortization: $7,969,000 in 1984 and $6,527,000 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 6,953,000	$ 3,388,000
Marketable securities	27,222,000	30,915,000
Receiv., net	56,318,000	46,539,000
*Inventories	34,319,000	26,800,000
Other assets	2,466,000	2,203,000
Current Assets	$ 127,278,000	$ 109,845,000
#Fixed assets	48,212,000	44,425,000
Other assets	5,785,000	3,383,000
Total Assets	$ 181,275,000	$ 157,653,000

Liabilities

Notes payable	$ 588,000	$ 3,042,000
Accts. payable	7,326,000	6,413,000
Payroll & prof. sharing	12,496,000	10,755,000
Advances on contracts	11,282,000	6,810,000
Income taxes	2,229,000	3,581,000
Guarantee under term. contract	1,875,000	1,875,000
Other liabilities	4,176,000	3,928,000
Curr. Liabilities	$ 39,972,000	$ 36,404,000
Deferred inc. taxes	—	2,508,000
Long-term oblig. under cap. leases	26,129,000	22,667,000
+ Common stock	3,418,000	3,361,000
Add. paid-in capital	6,009,000	5,770,000
Retained earnings	105,747,000	86,943,000
Total Liabilities & Shareholders' Equity	$ 181,275,000	$ 157,653,000

* At lower of cost (FIFO and average) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	13.73	15.75
%Net Income to Sales	10.40	9.52
%Net Income to Equity	19.01	18.45
Sales to Inventories	6.13	6.94
Working Capital	$ 87,306,000	$73,441,000
Current Ratio	3.18	3.01
Shareholders' Equity	$115,174,000	$96,074,000

Wavetek

9191 Towne Centre Drive, Suite 450
San Diego, California 92122
(714) 279-2200

Mailing address:
P.O. Box 85434
San Diego, California 92138

Officers: John M. Thornton, chairman of the board & chief exec. officer; Louis W. Abbott, v.p.-special products; John P. Schweikart, Jr., v.p.-finance & administration; Henry Reinecke, Jr., sr. v.p.-operations; Lawrence C. Dolan, v.p.-sales; John H. Byrne, v.p., secretary & general counsel; Robert J. Croshaw, v.p.-international sales.

Directors: Joel A. Naive, John M. Thornton, John L. Cassis, C. Frederick Sehnert, David M. Goodman, J. Garrett Fitzgibbons, Katherine P. Naive.

Areas of Work: Designs, manufactures and sells electronic test equipment, for cable television and land-mobile communication systems as well as microwave components and function generators.

Subsidiaries:

Wavetek Indiana, Incorporated
5808 Churchman
Beech Grove, Indiana 46107
(317) 788-9351

Wavetek Electronics GmbH
Hans-Pinsel-Strasse 9-10
D-8013 Haar bei Munchen
Federal Republic of Germany

Wavetek Electronics, Ltd.
Kingfisher Works, Tag Lane
Hare Hatch
Reading, Berkshire RG10 9LT
England

Wavetek Scientific Inc.
10 Volvo Drive
Rockleigh, New Jersey 07647
Produces a broad line of real-time fast fourier transform (FFT) spectrum analyzers.

Wavetek Pacific Measurements, Inc.
488 Tasman Drive
Sunnyvale, California 94086
Manufactures microwave power meters and scalar network analyzers.

Wavetek San Diego, Inc.
9145 Balboa Avenue
San Diego, California 92123

Transfer Agent(s):

California First Bank
P.O. Box 2529
8155 Mercury Court
San Diego, California 92112

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WVTK (NASDAQ)

Number of Employees:

1984	1,232	1981	1,139
1983	1,581	1980	1,118
1982	1,603		

Plant Footage:

1984	459,000 sq. ft.	1981	222,000
1983	464,000	1980	160,000
1982	248,000		

Sales and Earnings

	Net Sales #	Net Income
1984	$ 81,478,000	$ 1,394,000
1983	84,004,000	4,687,000
1982	64,634,000	3,401,000
1981	49,685,000	2,175,000
1980	44,385,000	2,444,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	9,078,000	$ 0.15
1983	7,814,000	0.60
1982	7,148,000	0.48
1981	5,720,000	0.38
1980	5,030,000	0.49

Of continuing operations only. Includes other income.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividends	Stock Split
1984	—	—	—
1983	—	—	3-for-2
1982	—	—	—
1981	—	—	—
1980	—	—	3-for-2

Common Stock Equity †

	Total Equity	Equity Per Share ‡
1984	$ 75,006,000	$ 8.26
1983	73,358,000	9.39
1982	39,902,000	5.58
1981	36,149,000	6.32
1980	17,156,000	3.41

† Restated to reflect change in accounting method to comply with FASB statement no. 52 concerning foreign currency translation.
‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock splits.

Income Account *

Year ended Sept. 30	1984	1983
Net sales	$ 81,478,000	$ 84,004,000
Cost of sales	40,098,000	39,999,000
Expenses	41,793,000	36,707,000
Interest expense	504,000	497,000
Interest income	(1,129,000)	(630,000)
Income before taxes	$ 212,000	$ 7,431,000
Income taxes (credit)	(1,182,000)	2,744,000
Net Income	$ 1,394,000	$ 4,687,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,890,000 in 1984 and $2,747,000 in 1983.

Assets

As of Sept. 30	1984	1983‡
Cash	$ 823,000	$ 604,000
Short-term invest.	1,826,000	16,837,000
Receiv., net	18,606,000	19,744,000
Income taxes refundable	2,658,000	—
*Inventories	33,094,000	26,164,000
Other curr. assets	509,000	424,000
Current Assets	$ 57,516,000	$ 63,803,000
#Fixed assets	28,455,000	25,040,000
Long-term receiv.	616,000	1,357,000
Intangibles	3,066,000	3,146,000
Other assets	1,347,000	1,324,000
Total Assets	$ 91,000,000	$ 94,670,000

Liabilities

	1984	1983‡
Notes payable	$ —	$ 3,000,000
Long-term debt, curr.	85,000	159,000
Accts. payable	4,803,000	6,415,000
Accruals	1,226,000	1,285,000
Accrued payroll	2,333,000	2,840,000
Income taxes	—	1,084,000
Other liab.	1,793,000	1,938,000
Curr. Liabilities	$ 10,240,000	$ 16,721,000
Long-term debt	2,980,000	3,085,000
Deferred inc. taxes	2,774,000	1,506,000
+ Common stock	9,080,000	8,961,000
Add. paid-in capital	42,814,000	42,059,000
Retained earnings	24,037,000	22,643,000
Cum. trans. adj.	(925,000)	(305,000)
Total Liabilities & Shareholders' Equity	$ 91,000,000	$ 94,670,000

‡ Restated.
* At cost (FIFO) not in excess of market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	0.26	8.85
%Net Income to Sales	1.71	5.58
%Net Income to Equity	1.86	6.36
Sales to Inventories	2.46	3.21
Working Capital	$47,276,000	$47,387,000
Current Ratio	5.62	3.89
Shareholders' Equity	$75,006,000	$73,358,000

R. V. Weatherford Co.

6921 San Fernando Road
Glendale, California 91201
(213) 849-3451

Officers: R. V. Weatherford, chairman of the board, president & treasurer; C. Clifford Riggs, exec. v.p.; June E. McCabe, v.p.-administrative services & secretary; Dennis Vlasich, v.p.-Digital Systems; Richard G. Maggs, v.p.-Dow Radio, Inc.; Dwight E. Moore, v.p.-Western Electronic Supply Corp.; Michael K. Leslie, sr. v.p.-Component Distribution Group.

Directors: John G. Monkman, R. V. Weatherford, Dinesh Maniar, C. Clifford Riggs, Howard L. Sanger.

Areas of Work: Engaged in the wholesale distribution of electronic components and equipment, principally semiconductors, electronic hardware, resistors, and capacitors; services for microprocessor units, minicomputers, and peripheral equipment, including printers, visual display terminals, and memory boards. The Company's sales are made to original equipment manufacturers located in the Western United States, principally California. Principal customers are in the defense, aerospace, computer and communication industries.

Divisions and Subsidiaries:

Digital Systems Division
Sells and services minicomputer and peripheral systems, including application software and support.

Dow Radio, Inc.
Pasadena, California
Supplies a broad line of electronic components and equipment to professionals in health, education and governmental areas.

Western Electric Supply Corporation
Glendale, California

Acquisition(s):

Dow Radio Inc.
Nordhaus Data Systems
Creative Programming, Inc.

Transfer Agent(s):

Security Pacific National Bank
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WTHR (NASDAQ)

Sales and Earnings

	Net Sales +	Net Income †
1984	$ 50,360,132	$ 468,053
1983	40,224,656	(32,565)
1982	42,956,387	(1,154,950)
1981	38,005,000	33,229
1980	35,384,000	591,681

	No. of Com. Shares #	Earn. per Share ‡†
1984	1,816,302	$ 0.26
1983	1,770,572	—
1982	1,770,572	—
1981	1,770,572	0.02
1980	1,770,572	0.34

(Loss)
+ Of continuing operations only.
† Including extraordinary gain of $110,900 ($0.06 per share) in 1984.
# Adjusted to reflect stock splits.
‡ Based on the average number of shares outstanding adjusted to reflect stock splits.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	2-for-1
1983	—	—	3-for-2

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 6,000,913	$ 3.30
1983	5,317,737	3.00
1982	5,350,302	3.02
1981	6,505,252	3.68
1980	6,472,023	3.66

Income Account *

Year ended June 30	1984	1983
Net sales	$ 50,360,132	$ 40,224,656
Cost of sales	35,819,765	28,513,200
Expenses	12,696,666	10,353,974
Software develop.	213,343	229,527
Interest expense	1,112,605	1,032,578
Income bef. taxes	$ 517,753	$ 95,377
Income taxes	160,600	56,714
Inc. - cont. oper.	$ 357,153	$ 38,663
Loss - discont. oper.	—	(71,228)
Net Income (Loss)	$ 357,153	$ (32,565)
Extraord. gain	110,900	—
Net Income (Loss) & Extraord. Gain	$ 468,053	$ (32,565)

* Included in Costs and Expenses, Depreciation and Amortization: $435,469 in 1984 and $267,628 in 1983.

Assets

As of June 30	1984	1983
Accts. receiv., net	$ 96,825	$ 174,309
*Inventories	12,065,080	10,191,576
Accounts receiv.	9,419,219	7,791,098
Other assets	293,394	317,995
Current Assets	$ 21,874,518	$ 18,474,978
#Fixed assets	1,135,895	720,272
Deferred leases	70,191	81,391
Other assets	511,213	305,322
Total Assets	$ 23,591,817	$ 19,581,963

Liabilities

	1984	1983
Notes payable	$ 8,138,779	$ 6,750,000
Long-term debt, curr.	174,318	481,989
Accts. payable	7,382,012	5,402,462
Inc. taxes payable	49,704	—
Accruals	877,921	546,144
Deferred income	137,503	100,000
Curr. Liabilities	$ 16,760,237	$ 13,280,595
Long-term debt	830,667	983,631
+ Capital stock	1,838,345	907,244
Add. paid-in capital	164,500	723,168
Retained earnings	3,998,068	3,687,325
Total Liabilities & Shareholders' Equity	$ 23,591,817	$ 19,581,963

* At lower of cost (weighted average) or market.
# Less accumulated depreciation and amortization.
+ No par value; $1 stated value.

Statistical Summary

%Income bef. Taxes to Sales	1.03	—
%Net Income to Sales	0.71	—
%Net Income to Equity	5.95	—
Sales to Inventories	4.17	3.95
Working Capital	$5,114,281	$5,194,383
Current Ratio	1.31	1.39
Shareholders' Equity	$6,000,913	$5,317,737

WEIGH-TRONIX, Inc.

1000 Armstrong Drive
Fairmont, Minnesota 56031
(507) 238-4461

Officers: F. William Harder, chairman of the board; Richard S. Bradley, president & chief executive officer; Vincent D. Del Santro, v.p.-manufacturing; James W. Deer, secretary; Peter H. Cole, v.p.-sales; Randy J. Newlin, v.p.-marketing; Emery J. Lee, treasurer, asst. secretary & controller.

Directors: F. William Harder, Arthur J. Luscombe, Richard S. Bradley, George A. Cavanaugh, Jr., Herbert H. Davis, Jr., James W. Deer, Frederick A. Fielder, James L. Koley, Donald M. McClellan, Arthur W. Schwalm.

Areas of Work: Engaged in the manufacture of electronic weighing systems for farm and industry.

Subsidiary:

W-T International, Inc. (DISC)

Transfer Agent(s):

First National Bank of Minneapolis
Minneapolis, Minnesota

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WGHT (NASDAQ)

Number of Employees:

1984	222	1981	254
1983	200	1980	194
1982	238		

Plant Footage:

1984	141,100 sq. ft.	1981	141,000
1983	141,000	1980	141,000
1982	141,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 16,332,286	$ 1,407,787
1983	13,724,444	1,003,824
1982	13,451,061	743,986
1981	14,877,224	1,235,516
1980	7,020,960	582,313

	No. of Com. Shares	Earn. per Share
1984	1,952,932	$ 0.72
1983	1,952,932	0.51
1982	1,952,932	0.38
1981	1,952,932	0.63
1980	1,952,932	0.30

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 9,403,033	$ 4.81
1983	8,581,131	4.39
1982	8,163,190	4.18
1981	7,858,618	4.02
1980	6,623,102	3.39

Income Account *

Year ended	12/31/84	12/31/83
Net sales	$ 16,332,286	$ 13,724,444
Cost of sales	9,848,871	8,085,340
Expenses	4,395,382	3,880,902
Interest income	(314,947)	(302,378)
Interest expense	192,645	196,540
Income before taxes	$ 2,210,335	$ 1,864,040
Income taxes	802,548	860,216
Net Income	$ 1,407,787	$ 1,003,824

* Included in Costs and Expenses, Depreciation and Amortization: $586,354 in 1984 and $507,366 in 1983.

Assets

As of	12/31/84	12/31/83
Cash & cert. of deposit	$ 1,966,234	$ 2,860,750
Accts. receiv., net	2,971,161	2,123,244
Note receivable	100,119	120,000
Other receiv.	43,750	50,180
*Inventories	3,291,020	2,644,949
Prepaid expenses	29,426	35,563
Def. inc. tax benefits	164,099	89,180
Current Assets	$ 8,565,809	$ 7,923,866
#Fixed assets	4,696,122	4,601,905
Other assets	54,937	62,354
Total Assets	$ 13,316,868	$ 12,688,244

Liabilities

Accts. payable	$ 236,295	$ 313,357
Long-term debt, curr.	103,125	94,688
Accrued payroll	296,983	166,486
Accrued interest	46,769	60,231
Accrued inc. taxes	231,150	330,073
Other accruals	430,419	315,289
Curr. Liabilities	$ 1,344,741	$ 1,280,124
Long-term debt	2,105,937	2,369,062
Deferred inc. taxes	342,157	348,927
Deferred income	121,000	109,000
+ Common stock	976,466	976,466
Add. paid-in capital	318,232	318,232
Retained earnings	8,363,569	7,541,667
Notes receiv. from officers	(255,234)	(255,234)
Total Liabilities & Shareholders' Equity	$ 13,316,868	$ 12,688,244

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	13.53	13.58
%Net Income to Sales	8.62	7.31
%Net Income to Equity	14.97	11.70
Sales to Inventories	4.96	5.19
Working Capital	$7,221,068	$6,643,742
Current Ratio	6.37	6.19
Shareholders' Equity	$9,403,033	$8,581,131

Weinschel Engineering Co., Inc.

One Weinschel Lane
Gaithersburg, Maryland 20877
(301) 948-3434

Mailing address:
1 Weinschel Lane
Gaithersburg, Maryland 20877

Officers: Bruno O. Weinschel, chairman of the board & president; Harmon W. Banning, v.p.-technical development & marketing; William J. Graessle, treasurer; Herbert J. Gildenhorn, secretary.

Directors: Bruno O. Weinschel, chairman; George Weinschel, Nathan Cohn, William M. Heiden.

Areas of Work: Engaged in the design and manufacture of microwave components and test and calibration instruments. Its products are sold primarily to the communications, aerospace and electronics industries, research, development and standards laboratories and various government agencies.

Divisions and Subsidiaries:

Weinschel Engineering, Inc.
Weinschel International, Inc.

Transfer Agent(s):

American Security Bank, N.A.
Washington, D.C. 20013

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984	310	1981	296
1983	305	1980	296
1982	310		

Plant Footage:

1984	60,000 sq. ft.	1981	50,000
1983	60,000	1980	50,000
1982	60,000		

Sales and Earnings

	Net Sales	Net Income
1984	$ 17,379,441	$ 240,274
1983	16,685,929	857,452
1982	14,651,213	496,724
1981	14,062,351	476,175
1980	11,727,740	230,382

	No. of Com. Shares	Earn. per Share
1984	612,426	$ 0.39
1983	612,426	1.40
1982	612,426	0.81
1981	612,426	0.78
1980	612,426	0.38

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 5,945,697	$ 9.71
1983	5,705,423	9.32
1982	4,847,970	7.92
1981	4,351,247	7.10
1980	3,875,072	6.33

Income Account *

Year ended Oct. 31	1984	1983
Net sales	$ 17,379,441	$ 16,685,929
Cost of sales	9,736,208	8,218,700
Expenses	6,577,547	6,463,536
Oper. profit	$ 1,065,686	$ 2,003,693
Other income	50,560	59,389
Total	$ 1,116,246	$ 2,063,082
Other charges	811,998	490,859
Income before taxes	$ 304,248	$ 1,572,223
Income taxes	63,974	714,771
Net Income	$ 240,274	$ 857,452

* Included in Costs and Expenses, Depreciation and Amortization: $561,215 in 1984 and $494,978 in 1983.

Assets

As of Oct. 31	1984	1983
Cash	$ 45,917	$ 391,183
Due from officer	542,754	491,046
Accts. receiv., net	4,397,903	2,449,299
*Inventories	7,982,488	8,001,109
Other assets	121,836	99,427
Future income taxes	266,333	103,182
Current Assets	$ 13,357,231	$ 11,535,246
#Fixed assets	3,333,805	2,892,504
‡Other assets	21,972	26,715
Intangibles	98,249	90,509
Total Assets	$ 16,811,257	$ 14,544,974

Liabilities

	1984	1983
Notes payable	$ 2,470,000	$ 470,000
Long-term debt, curr.	371,623	322,149
Accts. payable	1,638,642	1,154,313
Adv. pay. from cust.	815,577	1,535,040
Accrued expenses	728,865	844,301
Income taxes	102,861	495,134
Curr. Liabilities	$ 6,127,568	$ 4,820,937
Long-term debt	4,516,921	3,879,270
Deferred inc. taxes	221,071	139,344
+ Common stock	314,998	314,998
Add. paid-in capital	537,654	537,654
Retained earnings	5,130,818	4,890,544
Treasury stock	(37,773)	(37,773)
Total Liabilities & Shareholders' Equity	$ 16,811,257	$ 14,544,974

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
‡ Less accumulated amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Sales	1.75	9.42
%Net Income to Sales	1.38	5.14
%Net Income to Equity	4.04	15.03
Sales to Inventories	2.18	2.09
Working Capital	$7,229,663	$6,714,309
Current Ratio	2.18	2.39
Shareholders' Equity	$5,945,697	$5,705,423

Weldotron Corporation

1532 South Washington Avenue
Piscataway, New Jersey 08854
(201) 752-6700
(212) 227-6663

Officers: Martin Siegel, president; Seymour G. Siegel, vice president-finance, secretary and treasurer; Frank Mummolo vice president-operations; Albert W. Sanders, vice president & controller; Eugene V. Waterfall, v.p.-sales & marketing.

Directors: Martin Siegel, chairman; Seymour G. Siegel, Thomas E. Constance, Isidore Siegel, Robert P. Gibbons, Albert H. Cohen, Uzi Zucker.

Areas of Work: Develops and manufactures industrial packaging systems, including a line of packaging machinery and unit load handling systems for industrial applications; food packaging systems; electronic systems using infra-red light and radio frequency sensing fields for safety of automation; controls for

Weldotron Corporation

monitoring high-speed machinery; audio/visual equipment for schools, industry and institutions.

Divisions and Subsidiaries:

Industrial Packaging Systems
1532 S. Washington Avenue
Piscataway, New Jersey 08854

Food Packaging Systems
1532 S. Washington Avenue
Piscataway, New Jersey 08854

Communications & Controls
Piscataway, N.J.

Transfer Agent(s):

Registrar and Transfer Company
10 Commerce Drive
Cranford, New Jersey 07016

Stock Exchange(s): American

Ticker Symbol: WLD

Number of Employees:

1984	N.A.	1983	350

Plant Footage:

1984	N.A.	1982	N.A.
1983	265,000 sq. ft.	1981	265,000

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 30,701,692	$ 1,461,600
1983	26,700,710	831,000
1982	25,368,259	671,000
1981	22,887,845	526,000
1980	23,646,557	499,000

	No. of Com. Shares ‡	Earn. per Share ‡
1984	1,690,404	$ 0.86
1983	1,145,150	0.77
1982	1,044,347	0.64
1981	1,057,340	0.50
1980	1,069,407	0.47

‡ Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 15,283,000	$ 9.04
1983	6,772,000	5.91
1982	5,939,000	5.69
1981	5,259,000	4.97
1980	4,795,000	4.48

† Based on the weighted average number of shares outstanding adjusted to reflect stock split.

Income Account

Year ended April 30	1984	1983
Net sales	$ 30,701,692	$ 26,700,710
Other income	484,656	279,679
Total income	$ 31,186,348	$ 26,980,389
Cost of sales	20,128,823	18,036,808
Expenses	8,229,673	6,724,327
Depreciation & amortization	374,918	306,976
Interest expense	212,346	570,413
Income before taxes	$ 2,240,588	$ 1,341,865
Income taxes	779,000	511,000
Net Income	$ 1,461,588	$ 830,865

Assets

As of April 30	1984	1983
Cash	$ 614,491	$ 382,896
Short-term investments	197,309	—
Accts. & notes receiv., net	7,420,317	6,193,181
* Inventories	9,326,043	7,970,080
Prepaid expenses	1,528,682	129,873
Other assets	681,072	440,784
Prepaid inc. taxes	525,110	—
Current Assets	$ 20,293,024	$ 15,116,814
Marketable securities	2,313,400	—
# Fixed assets	2,318,334	1,625,320
Other assets	503,140	277,713
Total Assets	$ 25,427,898	$ 17,019,847

Liabilities

Notes payable	$ 350,000	$ —
Accts. payable	3,497,429	2,531,536
Accrued payroll	740,267	629,432
Cust. deposits	254,719	698,467
Other liabilities	2,108,864	708,203
Income taxes	—	238,315
Deferred inc. taxes	1,849,188	999,188
Long-term debt, curr	433,902	466,032
Curr. Liabilities	$ 9,234,369	$ 6,271,173
Long-term debt	400,707	3,618,757
Deferred inc. taxes	510,131	358,131
+ Common stock	93,524	54,841
Add. paid-in capital	8,670,273	1,636,689
Retained earnings	6,652,524	5,190,936
Treasury stock	(110,380)	(110,680)
Loss on Marketable securities	(23,250)	—
Total Liabilities & Shareholders' Equity	$ 25,427,898	$ 17,019,847

Statistical Summary

% Income bef. Taxes to Sales	7.30	5.03
% Net Income to Sales	4.76	3.11
% Net Income to Equity	9.56	12.27
Sales to Inventories	3.29	3.35
Working Capital	$11,058,655	$8,845,641
Current Ratio	2.20	2.41
Shareholders' Equity	$15,282,691	$6,771,786

Wells-Gardner Electronics Corporation

2701 North Kildare Avenue
Chicago, Illinois 60639
(312) 252-8220

Officers: Albert S. Wells, Jr., president & chief executive officer; Allan Gardner-v.p. & sales mgr.; Aroon Chaddha, v.p.-engineering; Merrill I. Nelson, v.p.-materials; Anthony I. Blase, v.p., secretary & treasurer; Randall S. Wells, v.p.-mfg.; Lawrence J. Brady, v.p. & gen. mgr.-display products.

Directors: Anthony I. Blase, T.S. Corwin, Allan Gardner, Frank S. Righeimer, Jr., Albert S. Wells, Jr., James J. Roberts, Jr., William K. Moloney.

Areas of Work: Engaged in the manufacture and assembly of television receivers, game monitors, and data display monitors.

Divisions:

Data Display Division
Produces videomonitors.

Video Games Division
Supplies monochrome and color raster and vector monitors to coin-operated video game industry.

Consumer Division
Produces portable and console color televisions for Teknika Electronics corp.

Transfer Agent(s):

Harris Bank
111 West Monroe Street
Chicago, Illinois 60603

Stock Exchange(s): American

Ticker Symbol: WGA

Number of Employees:

1984	335	1981	650
1983	400	1980	480
1982	440		

Plant Footage:

1984	296,000 sq. ft.	1981	296,000
1983	296,000	1980	270,000
1982	296,000		

Sales and Earnings

	Net Sales	Net Income †
1984	$ 17,803,000	$ (2,156,000)
1983	28,136,000	115,000
1982	75,428,000	5,399,000
1981	79,455,000	7,684,000
1980	28,708,000	3,129,480

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	3,594,240	$ —
1983	3,586,654	0.03
1982	3,582,298	1.51
1981	3,575,591	2.15
1980	3,434,092	0.91

(Loss)

† Including extraordinary gains of $1,208,000 ($0.34 per share) in 1981 and $1,339,000 ($0.39 per share) in 1980.

‡ Based on the weighted average number of common shares outstanding adjusted to reflect stock split and stock dividend.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	0.3125	—	—
1982	0.475	—	—
1981	0.1875	100%	—
1980	0.0125	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share †
1984	$ 12,900,473	$ 3.59
1983	15,056,798	4.20
1982	15,977,860	4.46
1981	13,753,504	3.85
1980	6,367,789	1.85

† Based on the weighted average number of common shares outstanding adjusted to reflect stock split and stock dividend.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 17,803,319	$ 28,136,465
Cost of sales	19,352,615	25,589,306
Expenses	2,386,425	2,919,960
Other income	(255,899)	(408,093)
Interest expense	2,601	2,802
Income (loss) bef. taxes	$ (3,682,423)	$ 32,490
Tax credit	(1,526,098)	(82,579)
Net Income (Loss)	$ (2,156,325)	$ 115,069

* Included in Costs and Expenses, Depreciation: $535,575 in 1984 and $405,048 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 123,265	$ 19,999
Refund, inc. taxes	1,051,726	59,265

Accts. receiv., net	1,560,766	3,707,822
Short-term invest.	2,405,480	1,505,480
*Inventories	6,081,310	9,404,072
Prepaid expenses	864,698	412,898
Current Assets	$ 12,087,245	$ 15,109,536
#Fixed assets	2,277,672	2,623,735
Total Assets	$ 14,364,917	$ 17,733,271
Liabilities		
Accts. payable	$ 659,303	$ 1,495,145
Accruals	673,168	907,020
Income taxes payable	19,604	71,088
Curr. Liabilities	$ 1,352,075	$ 2,473,253
Deferred inc. taxes	112,369	203,220
+ Common stock	3,587,010	3,586,510
Add. paid-in capital	3,125	3,625
Retained earnings	9,310,338	11,466,663
Total Liabilities & Shareholders' Equity	$ 14,364,917	$ 17,733,271

* At lower of cost (LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	0.12
%Net Income to Sales	—	0.41
%Net Income to Equity	—	0.76
Sales to Inventories	2.93	2.99
Working Capital	$10,735,170	$12,636,283
Current Ratio	8.94	6.11
Shareholders' Equity	$12,900,473	$15,056,798

Western Digital Corporation

2445 McCabe Way
Irvine, California 92714
(714) 557-3550

Officers: Charles W. Missler, chairman of the board; Roger W. Johnson, president & chief executive officer; Joseph Baia, vice-chairman & secretary; William R. Benz, v.p.-finance & chief financial officer; Terry N. Holdt, exec. v.p. & chief operating officer; William E. Brechtel, treasurer; Chester A. Brown, v.p.-international sales; Hilton D. Gray, v.p.-administration; Edward L. Marinaro, v.p.-marketing; Joseph F. Pleso, v.p.-domestic sales; David R. Scaksen, controller.

Directors: Charles W. Missler, chairman of the board; Joseph Baia, Donn B. Tatum, William C. May, John F. Hughes, James H. Langworthy, William B. Rieke, Roger W. Johnson, Ryal R. Poppa, Robert C. Wilson.

Areas of Work: Engaged in the design, development, manufacture and sale of certain types of semiconductor products. Utilizing silicon gate MOS technology, develops a broad line of products and services which include over 100 semiconductor components and board level systems for use in the telecommunications, computer and industrial control markets.

Divisions:

Telecommunications Division
Addresses the digital communications market with proprietary products for interface logic, protocol control, and secure communications.

Computer Products Division
Manufactures file management devices and specialized 16-bit microprogrammed microprocessors.

Energy Management Systems Division
Involved in the application of microelectronics to replace mechanical and electro-mechanical controls.

Subsidiaries:

Western Digital (Malaysia) SDN BHD
Kuala Lumpur, Malaysia
Assembles semiconductor devices.

The Microengine Company
Newport Beach, California
Designs, manufactures and markets 16-bit microprocessor-based computer components and systems.

Western Digital Development Corporation
Irvine, California
Manages the Company's development financing program.

Controlled Energy, Inc.
Riverside, California
Designs, assembles and tests board level electronic systems, and digital thermostats.

Tahoe Design Center, Inc.
Tahoe City, California

Transfer Agent(s):

First Interstate Bank
707 Wilshire Boulevard
Los Angeles, California

Stock Exchange(s): Over-the-Counter

Ticker Symbol: WDCL (NASDAQ)

Sales and Earnings

	Revenues +	Net Income †
1984	$ 113,497,000	$ 7,824,000
1983	50,557,000	1,474,000
1982	34,842,000	(7,070,000)
1981	27,010,000	(471,000)
1980	20,603,000	678,000

	No. of Com. Shares ‡	Earn. per Share ‡†
1984	16,000,000	$ 0.49
1983	15,250,000	0.10
1982	13,920,000	—
1981	12,670,000	—
1980	12,890,000	—

(Loss)
+ Of continuing operations only.
† Including extraordinary gain of $1,852,000 ($0.12 per share) in 1984.
‡ Based on the weighted average number of shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 43,676,000	$ 2.73
1983	27,135,000	1.78
1982	26,421,000	1.90
1981	34,817,000	2.75
1980	3,384,000	0.26

‡ Based on the weighted average number of shares outstanding.

Income Account *

Year ended June 30	1984	1983
Net sales	$ 113,101,000	$ 48,336,000
Interest	177,000	362,000
Other revenue	219,000	1,859,000
Total revenue	$ 113,497,000	$ 50,557,000
Cost of sales	66,975,000	26,670,000
Expenses	33,258,000	18,481,000
Interest expense	3,254,000	1,364,000
Income before taxes	$ 10,010,000	$ 4,042,000
Income taxes	3,743,000	1,845,000
Inc. - cont. oper.	$ 6,267,000	$ 2,197,000
Loss. - discont. oper.	(295,000)	(723,000)
Net Income	$ 5,972,000	$ 1,474,000
Extraord. gain	1,852,000	—
Net Income & extraord. gain	$ 7,824,000	$ 1,474,000

* Included in Costs and Expenses, Depreciation and Amortization: $4,769,000 in 1984 and $2,936,000 in 1983.

Assets

As of June 30	1984	1983
Cash & cash equiv.	$ 1,301,000	$ 384,000
Accts. rec., net	34,096,000	12,735,000
*Inventories	45,025,000	19,828,000
Prepaid expenses	1,952,000	526,000
Current Assets	$ 82,374,000	$ 33,473,000
#Fixed assets	35,050,000	35,050,000
Other assets	5,997,000	5,997,000
Total Assets	$ 123,421,000	$ 54,073,000
Liabilities		
Short-term borrowings	$ 31,282,000	$ 3,900,000
Long-term debt, curr.	4,731,000	410,000
Oblig. under cap. leases, curr.	2,560,000	1,335,000
Accounts payable	19,745,000	7,378,000
Accruals	5,290,000	3,117,000
Deferred income	—	3,759,000
Income taxes	984,000	76,000
Accrued exp. of discont. oper.	—	257,000
Current Liabilities	$ 64,592,000	$ 20,232,000
Long-term debt	5,229,000	1,553,000
Cap. lease oblig.	9,924,000	5,153,000
+ Common stock	1,578,000	1,485,000
Add. paid-in capital	43,724,000	35,500,000
Ret. earnings (deficit)	2,115,000	(5,709,000)
Treasury stock	(1,000)	(1,000)
Notes receiv. from stock trust	(3,740,000)	(4,140,000)
Total Liabilities & Shareholders' Equity	$ 123,421,000	$ 54,073,000

* At lower of cost (FIFO) or net realizable value.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Net Income to Equity	13.67	5.43
Sales to Inventories	2.51	2.44
Working Capital	$17,782,000	$13,241,000
Current Ratio	1.28	1.65
Shareholders' Equity	$43,676,000	$27,135,000

Western Microwave Laboratories, Inc.

1271 Reamwood Avenue
Sunnyvale, California 94086
(408) 734-1631

Officers: Ken Schoniger, chairman, president & chief executive officer; E.V. Lanes, v.p.-operations; Irving Ozawa, treasurer & controller; Jeffrey Cox, secretary; Ferenc A. Marki, v.p.-microwave signal processing division; Fred R. Oliveri, v.p.-passive microwave technology division.

Directors: Ken Schoniger, chairman; M.C. Hone, H.E. Rumsey, J.K. Leidecker, W.H. Kuntz.

Areas of Work: Develops and manufactures microwave ferrite components (isolators and circulators) and microwave integrated components (RF front end assemblies, mixers, isolator couplers and image reject mixers) for commercial and military applications.

Transfer Agent(s):

Bank of America
Corporate Agency Service Center
San Francisco, California

Stock Exchange(s): Over-the-Counter

Number of Employees:

1984 .... N.A. 1983 101

Plant Footage:

1984 .... N.A. 1983 .... 25,000 sq. ft.

N.A.-Not Available.

Sales and Earnings

	Net Sales #	Net Income ‡
1984	$ 7,845,922	$ 246,683
1983	5,377,663	232,217

1982	4,125,594	101,329
1981	3,130,322	(213,288)
1980	3,457,903	101,214

	No. of Com. Shares	Earn. per Share ‡
1984	1,448,882	$ 0.17
1983	1,421,53.	0.20
1982	1,019,332	0.10
1981	1,017,665	—
1980	1,005,999	0.10

Of continuing operations only.
‡ Including extraordinary gains of $54,162 ($0.05 per share) in 1983, $27,400 ($0.03 per share) in 1981 and $27,309 ($0.03 per share) in 1980.

Common Stock Equity

		Total Equity	Equity Per Share
1984	$	4,601,672	$ 3.18
1983		4,316,758	3.04
1982		1,402,396	1.38
1981		1,295,858	1.27
1980		1,499,997	1.49

Income Account *

Year ended Sept. 30		1984		1983
Net sales	$	7,845,922	$	5,377,663
Cost of sales		5,652,067		3,563,115
Expenses		1,978,061		1,590,975
Other income		(207,262)		(81,149)
Interest expense		152,073		47,605
Income bef. taxes	$	270,983	$	257,117
Income taxes		24,300		79,062
Net Income	$	246,683	$	178,055
Extraord. gain		—		54,162
Net Income & Extraord. Gain	$	246,683	$	232,217

* Included in Costs and Expenses, Depreciation and Amortization: $481,253 in 1984 and $209,772, in 1983.

Assets

As of Sept. 30		1984		1983
Cash	$	301,290	$	419,354
Cert. of deposit		1,501,400		2,010,851
Accts. receiv., net		1,713,404		1,152,388
Stockholder receivable		7,972		117,811
Notes receivable		50,867		13,867
*Inventories		2,013,717		1,194,955
Prepaid expenses		61,652		27,777
Deferred taxes		—		4,600
Current Assets	$	5,650,302	$	4,941,603
Notes receivable		22,000		50,820
#Fixed assets		1,720,287		846,059
Other assets		49,965		6,343
Total Assets	$	7,442,554	$	5,844,825

Liabilities

		1984		1983
Notes payable	$	134,641	$	—
Long-term debt, curr.		72,845		73,442
Accts. payable		960,198		859,416
Accruals		325,926		259,631
Curr. Liabilities	$	1,493,610	$	1,192,489
Note payable		1,183,445		100,000
Long-term debt		163,827		235,578
+ Common stock		144,888		142,153
Add. paid-in capital		4,089,843		4,054,347
Ret. earnings		366,941		120,258
Total Liabilities & Shareholders' Equity	$	7,442,554	$	5,844,825

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	3.45	4.78
%Net Income to Sales	3.14	3.31
%Net Income to Equity	5.36	4.12
Sales to Inventories	3.90	4.50
Working Capital	$4,156,692	$3,749,114
Current Ratio	3.78	4.14
Shareholders' Equity	$4,601,672	$4,316,758

Western Pacific Industries Inc.

345 Park Avenue
New York, New York 10154
(212) 751-6464

Officers: Howard A. Newman, chairman of the board & chief executive officer; William C. Scott, president; Roger F. Haskell, v.p., secretary & treasurer; Michael Greenberg, v.p. & controller; Leonard V. Samela, asst. controller; Clare Chervenak, asst. secretary.

Directors: Howard A. Newman*, chairman; A. Leon Fergenson*, Anson C. Fyler, Robert H. Haines*, Robert V. Hansberger, Robert A. Kavesh, Joseph R. McCormick, Lionel I. Pincus, William C. Scott*, Jerry I. Speyer, Howard Stein, Robert G. Stone, Jr.*, Robert L. Tetro

* Member of the Executive Committee.

Areas of Work: Owns four operating companies which supply precision products, equipment and parts to industry throughout the world.

Subsidiaries:

Veeder-Root Company
Hartford, Connecticut
Altoona, Pennsylvania
Elizabethtown, North Carolina
Los Angeles, California

Designs, manufactures and markets equipment to measure, indicate, record, count and control any motion that can be sensed by mechanical, electrical and electronic inputs, or through the flow of liquids or gases.

Veeder-Root Limited
Dundee, Scotland

Veeder-Root do Brasil
Sao Paulo, Brasil

Veeder-Root GmbH
Stuttgart, West Germany

Veeder-Root of Canada Limited
Toronto, Canada

Veeder-Root (Australia) Pty Limited
Melbourne, Australia

Veeder-Root S.A.R.L.
Paris, France

Holo-Krome Company
West Hartford, Connecticut
Orange, California

Manufactures and markets hexagon-socket screws and special headed parts needed by a wide range of industries, such as machinery, machine tools, electronics, office equipment and transportation.

HoloKrome Limited
Dundee, Scotland
Birmingham, England

Holo-Krome Australia Pty Limited (51% owned)
Melbourne, Australia

Mac-it Company
Lancaster, Pennsylvania

Iseli Company
Terryville, Connecticut
Walworth, Wisconsin

Produces precision parts on Swiss screw machines for such products as watches, cameras, missiles, cigarette lighters, electronic instrument, and automotive systems.

A.L. Hyde Company
Grenloch, New Jersey

Manufactures industrial plastic moldings for such applications as natural gas pipe fittings, marine pumps and battery cases; extruded thermoplastic rod, tube and sheet for customer fabrications and machining.

Transfer Agent(s):

Manufacturers Hanover Trust Company
450 West 33rd Street
New York, New York 10001

Stock Exchange(s): New York

Ticker Symbol: WPI

Number of Employees:

1984	2,950	1981	4,000
1983	2,775	1980	5,110
1982	3,000		

Plant Footage:

1984	1,555,000 sq. ft.	1981	1,822,000
1983	1,180,000	1980	1,855,000
1982	1,625,000		

Sales and Earnings

		Net Sales † (000's)		Net Income (000's)
1984	$	167,193	$	41,114
1983		146,922		23,433
1982		164,192		13,771
1981		220,265		30,097
1980		249,278		28,889

	No. of Com. Shares	Earn. per Share #
1984	2,319,442	$ 17.73
1983	2,319,442	10.10
1982	2,319,442	5.94
1981	2,319,442	12.95
1980	2,349,442	11.68

† Of continuing operations only.
# Based on the weighted average number of shares outstanding.

Revenues By Line of Business
(000's)

		1984		1983
Counting devices	$	91,355	$	86,518
Industrial precision fasteners		39,502		32,880
Industrial precision components		36,336		27,524
Total	$	167,193	$	146,922

Common Stock Equity

		Total Equity	Equity Per Share
1984	$	189,775,000	$ 81.82
1983		151,390,000	65.27
1982		128,546,000	55.42
1981		116,526,000	50.24
1980		87,681,000	37.32

Income Account *
(000's)

Year ended Dec. 31		1984		1983
Net sales	$	167,193	$	146,922
Cost of sales		96,149		87,480
Expenses		36,481		34,100
Invest. income		(45,296)		(25,792)
Interest expense		11,683		11,665
Other expense (income)		(623)		1,597
Income before taxes	$	68,799	$	37,872
Income taxes		27,685		14,439
Net Income	$	41,114	$	23,433

* Included in Costs and Expenses, Depreciation and Amortization: $4,783,000 in 1984 and $5,373,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash	$ 165,859	$ 115,713
Accts. receiv., net	19,695	21,634
*Inventories	23,330	20,223
Other assets	4,063	2,656
Current Assets	$ 212,947	$ 160,226
Investments	56,625	71,364
#Fixed assets	21,608	20,062
Other assets	3,010	3,942
Total Assets	$ 294,190	$ 255,594

Liabilities
(000's)

	1984	1983
Bank loans	$ 152	$ 140
Long-term debt, curr.	717	692
Accts. payable & accruals	20,481	18,067
Income taxes	5,303	6,808
Curr. Liabilities	$ 26,653	$ 25,707
Long term debt	72,683	73,999
Other liabilities	5,079	4,498
+ Common stock	3,411	3,411
Add. paid-in capital	61,940	61,940
Retained earnings	169,721	128,607
Treasury stock	(40,228)	(40,228)
Foreign curr. trans. adjustment	(4,094)	(2,340)
Valuation allowance	(975)	—
Total Liabilities & Shareholders' Equity	$ 294,190	$ 255,594

* Domestic at cost (LIFO) not in excess of market, foreign at standard cost.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

	1984	1983
%Income bef. Taxes to Sales	41.15	25.78
%Net Income to Sales	24.59	15.95
%Net Income to Equity	21.66	15.48
Sales to Inventories	7.17	7.27
Working Capital	$186,294,000	$134,519,000
Current Ratio	7.99	6.23
Shareholders' Equity	$189,775,000	$151,390,000

Westinghouse Canada Inc.

(95.1% owned by Westinghouse Electric Corporation)

6th Floor, 120 King Street West
Hamilton, Ontario, Canada L8N 3K2
(416) 528-8811

Officers: Franz H. Tyaack, president & chief executive officer; Robert H. Broad, treasurer; Laurence K. Burke, comptroller; James K. Carman, v.p.-strategic planning & corporate affairs; Iain W.M. Hendry, v.p., secretary & general counsel; Thomas H. Lawrason, asst. secretary; R. M. Daniel, v.p.-corporate resources; Jack Nairn, v.p. & gen mgr.-Sales and Services Division; Edward B. Priestner, exec. v.p.-operations; Owen C. Shewfelt, v.p.-finance; Edwin A. Taylor, v.p.-human resources; G.O. Bernhardt, v.p.-corp. productivity & quality; N.A. Bryson, v.p. & gen. mgr.-Transformer Nuclear Products & Motor Division; N.F. Budgen, v.p. & gen. mgr.-WESCO; I.B. Gillmore, v.p.-Manitoba-Saskatchewan District; D.G. Hysop, v.p. & gen. mgr.-Electronics, Control & Distribution Products Division; W. Kostyshyn, v.p. & gen. mgr.-Turbine & Generator Division; J.B. McCullum, v.p.-corporate marketing international; R.A. Plouffe, v.p.-Quebec District; F.D. Priestly, v.p.-Alberta District and Energy Resource Centre; J.A. Reid, v.p.-British Columbia District; G. Wilkinson, v.p.-Utility Sales Division; J.R. Williamson, v.p.-Atlantic Division.

Directors: E.J. Cattabiani, A.E. Downing*, L.Y. Fortier, L.W. Yochum, F.H. Tyaack*, D.D. Stark, J.A. Boyle, L.R. Wilson, W.A. Coates*, E.B. Priestner*, P.M. Marshall.

* Member of the Executive Committee.

Areas of Work: Manufactures a wide range of electrical apparatus, electronic equipment, mechanical products, including steam and gas turbines, switchgear, industrial controls, transformers, motors, meters, instruments, relays, panelboards, switchboards, elevators, power and control centers, semiconductors, electronics products, systems and engineering consulting services for commercial and defense applications; nuclear fuels, special nuclear components, and atomic reactor components. The Company also conducts research in the field of nuclear power-generation.

Divisions:

Turbine and Generator Division
P.O. Box 510
286 Sanford Avenue North
Hamilton, Ontario L8N 3K2
(416) 528-8811

Transformer, Nuclear Products and Motor Division
P.O. Box 510
286 Sanford Avenue North
Hamilton, Ontario L8N 3K2
(416) 528-8811

Electronics, Control and Distribution
Products Division
P.O. Box 510
286 Sanford Avenue North
Hamilton, Ontario L8N 3KZ

Sales and Services Division

Elevator Division
1 Westside Drive
Etobicoke M96 1BZ Ontario
(416) 622-1020

Industry Services Division
5230 South Service Road
Burlington, Ontario
(416) 528-8811

WESCO-Westinghouse Sales & Distribution Co.
240 Duncan Mill Road
Don Mills, Ontario M3B IZ4
(416) 445-0550

Utility Sales Division
240 Duncan Mill Road
Don Mills, Ontario M3B 1Z4
(416) 445-0550

Transfer Agent(s):

National Victoria and Grey Trust Co.
21 King Street E.
Toronto, Ontario, Canada M5C 1B3

Stock Exchange(s): Toronto

Ticker Symbol: CWH

Number of Employees:

1984	5,500	1981	7,600
1983	5,200	1980	7,300
1982	7,500		

Plant Footage:

1984	4,124,002 sq. ft.	1982	4,201,188
1983	4,097,261		

Sales and Earnings ‡

	Net Sales	Net Income
1984	$ 578,155,000	$ 16,041,000
1983	515,821,000	14,027,000
1982	706,744,000	23,916,000
1981	678,730,000	30,351,000
1980	570,115,000	29,812,000

	No. of Com. Shares	Earn. per Share +
1984	2,683,399	$ 5.98
1983	2,683,399	5.23
1982	2,683,397	8.91
1981	2,683,389	11.31
1980	2,683,389	11.11

‡ In Canadian dollars.
+ Based on the number of shares outstanding at the end of each month.

Revenues By Line of Business
(000's)

	1984	1983
Electronics & control	$ 130,065	$ 117,248
Electrical products	236,077	198,096
Services	332,903	311,473
Other	2,711	13,780
Total	$ 701,756	$ 640,597
Elimination of intergroup sales	(123,601)	(124,776)
Total	$ 578,155	$ 515,821

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$3.00	—	—
1983	3.00	—	—
1982	3.00	—	—
1981	3.00	—	—
1980	2.50	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 221,705,000	$ 82.62
1983	213,714,000	79.64
1982	207,736,000	77.42
1981	191,870,000	71.50
1980	169,569,000	63.19

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 578,155	$ 515,821
Cost of sales	544,575	486,714
Depreciation	9,515	9,493
Interest expense	1,574	1,897
Income before taxes	$ 22,491	$ 17,717
Income taxes	6,450	3,690
Net Income	$ 16,041	$ 14,027

Assets
(000's)

As of Dec. 31	1984	1983
Accts. receiv., net	$ 126,699	$ 103,522
*Inventories	166,881	172,876
Other assets	2,357	6,694
Current Assets	$ 295,937	$ 283,092
#Fixed assets	82,787	75,438
Invest. & other assets	6,695	8,211
Total Assets	$ 385,419	$ 366,741

Liabilities
(000's)

	1984	1983
Bank indebtness	$ 30,357	$ 23,068
Long-term debt	141	322
Accts. payable & accruals	106,247	102,668
Curr. Liabilities	$ 136,745	$ 126,058
Long-term debt	13,330	13,997
Deferred inc. taxes	13,639	12,972
+ Common stock	14,948	14,948
Retained earnings	206,757	198,766
Total Liabilities & Shareholders' Equity	$ 385,419	$ 366,741

* At lower of cost and net realizable value, less progress billings received on account.
# Less accumulated depreciation.
+ No par value.

Westinghouse Canada Inc.

Statistical Summary

%Income bef. Taxes to Sales	3.89	3.43
%Net Income to Sales	2.77	2.72
%Net Income to Equity	7.24	6.56
Sales to Inventories	3.46	2.98
Working Capital	$159,192,000	$157,034,000
Current Ratio	2.16	2.25
Shareholders' Equity	$221,705,000	$213,714,000

Westinghouse Electric Corporation

Westinghouse Building
Gateway Center
Pittsburgh, Pennsylvania 15222
(412) 244-2000

Officers: Douglas D. Danforth, chairman and chief executive officer; Robert F. Pugliese, gen. counsel & secretary.

Energy and Advanced Technology Group:
Thomas J. Murrin, president; Harry B. Smith, exec. v.p.-defense; Eugene J. Cattabiani, exec. v.p.-power generation; Theodore Stern, exec. v.p.-nuclear energy systems; Earle E. DuBois, v.p.-combustion turbine systems; James S. Moore, v.p.-water reactors; Bruce W. Morrison, v.p.-marketing; Chester A. Sadlow, exec. v.p.-advanced production technology.

Industries & International Group:
John C. Marous, Jr., president; William A. Coates, exec. v.p.-international; Paul E. Lego, exec. v.p.-control equipment; Roy W. Gavert, Jr., exec. v.p.-marketing and services; William O. Carlsen, president-Latin America; Clovis F. Obermesser, president-Asia/Pacific; John B. Yasinsky, president-Europe/Africa/Middle East; Frank H. Tyaack, president-Westinghouse Canada, Inc.; Joseph W. Baker, v.p.-distribution & protection; Charles E. Bell, v.p.-electronics, measurement & control; Gary M. Clark, v.p.-industries marketing; George C. Dorman, v.p.-motor divisions; Jack J. Sherman, v.p.-industry services divisions; Harry Weingarten, v.p.-transmission and distribution divisions.

Commercial Group:
Mathias J. McDonough, president; Douglas D. Stark, exec. v.p.-commercial; Barton S. Brodkin, president-beverage; H. Joe Frazier, president-Westinghouse Communities, Inc.; David J. Bauhs, president-Westinghouse Elevator Co.; James C. Sheehan, president-Thermo King Corporation; Edward G. Bittner, v.p.-materials divisions.

Westinghouse Broadcasting and Cable, Inc.:
Daniel L. Ritchie, chairman and president; William F. Baker, president-Group W Television; Harry F. Murray, chief executive-Group W Cable; Richard H. Harris, president-Group W Radio.

Finance:
Leo W. Yochum, sr. exec. v.p.-finance; John B. Ferguson, v.p. & controller; August W. Frisch, v.p. & gen. tax counsel; Donald C. Korb, v.p. & treasurer; John R. McClester, president-Westinghouse Credit Corporation; Robert V. Billings, v.p.-pension investments and investor relations.

Corporate Resources:
Edwin V. Clarke, Jr., sr. exec. v.p.-corporate resources; Maurice C. Sardi, v.p.-corporate relations; Francis P. Cotter, v.p.-government affairs; L. Jerry Hudspeth, v.p.-corporate productivity and quality; George F. Mechlin, v.p.-research and development; Donald J. Povejsil, v.p.-corporate planning; Richard L. Reinhart, v.p.-human resources; David L. Trezise, v.p.-industrial relations; John E. Goetz, Jr., v.p.-western region; David L. Litten, v.p.-midwestern region; William S.A. McIntyre, v.p.-central region; Charles D. Paine, v.p.-southeastern region; Howard J. Thomas, v.p.-northeastern region; A. Richard Whittemore, v.p.-Atlantic region; J. Stanley Wyble, v.p.-Southwestern region.

Directors: R. Burt Gookin*, Donald F. Hornig, Roger Milliken*, Richard R. Pivirotto, Douglas D. Danforth*, David T. McLaughlin, O. Pendleton Thomas*, Hays T. Watkins*, Barbara H. Franklin, William H. McMurren, Robert W. Caphell, Rene C. McPherson.

* Member of the Executive Committee.

Areas of Work: The principal business activity of Westinghouse is the manufacture and sale of equipment for the generation, transmission, utilization and control of electricity. Included among the products of the Corporation are electrical and mechanical equipment required by power companies, railroads, city transit systems and industrial plants, propulsion and electrical equipment for the United States Navy and the marine industry, electrical and electronic systems, instrumentation and other equipment for the aerospace industry.

Westinghouse develops, designs and furnishes nuclear power plants, equipment and fuel for the generation of electricity.

Some Westinghouse products, such as motors and control devices, are used by other manufacturers as components for their products. The Corporation is an important manufacturer of military products for the United States Government.

Westinghouse supplies products to the construction industry and engages in conventional construction activities. It also is engaged in land development and sales.

Westinghouse Broadcasting Company owns and operates 12 radio stations and six television stations. Teleprompter, acquired in 1981 operates a nationwide cable TV system serving 1.6 million basic subscribers.

Westinghouse Learning Corporation offers various educational services and materials to schools, sells language instruction courses.

In leisure activities Westinghouse subsidiaries bottle and distribute various soft drink brands, manufacture, assemble and sell wrist watches and other timepieces under the Longines-Wittnauer, LeCoultre and Jubilee trade names.

Westinghouse Credit Corporation engages in the extension of credit in transactions secured by real or personal property and in leasing transactions including leverage leasing.

Westinghouse is engaged in the distribution outside the United States of electrical and other products, primarily those manufactured by Westinghouse. Such distribution is accomplished through a wholly owned subsidiary and through company representatives and independent distributors. The corporation also has a number of subsidiaries outside the United States, the majority of which are engaged in the manufacture and sale of electrical generation, transmission, utilization and control equipment, and consumer products.

Electronics & Related Divisions & Subsidiaries:

Advanced Reactors Division
Waltz Mill, Pennsylvania
Development of advanced designs and concepts of commercial atomic power, including breeder reactors. Comprehensive services in chemical analyses and postirradiation analyses and examination of nuclear fuel and reactor components.

Aerospace and Electronic Systems-Systems Development Divisions
Baltimore, Maryland
Producer of airborne and surface-based radars, communications, command and control, and related electronic systems. Aerospace activities include development and production of sophisticated avionics systems. These include advanced airborne ECM systems, weapon delivery systems, electro-optical systems for reconnaissance and remote sensing, and airborne surveillance radar for airborne early warning and control. Surface-based activities include tactical and shipboard radars, range instrumentation systems, strategic defense systems, and air traffic control systems. Military command and control systems, tactical and strategic communications, displays, and computer systems.

Aerospace Electrical Division
Lima, Ohio
Electric power systems, generator, motors, control apparatus, power conditioning and conversion equipment, and support equipment for military and commercial aircraft, missiles, spacecraft, undersea and ground vehicles.

Astronuclear Laboratory
Large, Pennsylvania
Nuclear, power-reactor and isotope for space, terrestrial, underseas, and other advanced applications; high temperature materials development, and testing and application, thermoelectric environmental control systems, Silicon Carbide devices, non-destructive test equipment, high temperature thermocouples.

Bryant Division
Bridgeport, Connecticut
Wiring Devices: switches, receptacles, wall plates, plugs, connectors, lampholders and starters, outdoor fixtures for reflector backed lamps and photo electric controls; circuit breakers and load centers; ground fault protectors and multimetering; electric heating, baseboard, ceiling cable, unit heaters, duct heaters, strip heaters, wall heaters.

Computer and Instrumentation and Industry Systems Divisions
Pittsburgh, Pennsylvania
Complete Digital, Analog and combined process control systems and related services for application in the following areas: Automotive, Adaptive Control, Batch Blending, By-Products; Chemical, Cement; Communication; Data Acquisition, Collection and Processing, Dispatching and Distribution; Display, Electronic Component Testing, Environmental Measurements; Fluid Flow, Pressure, Temperature and Level; Gas Distribution, Glass, Heating and Air Conditioning; Machine Tool-Direct Numerical; Marine; Metallurgical; Mining and Ore Processing; Oxygen Monitoring and Control, Petro-Chemical, pH and Conductivity; Plastics, Pollution; Power Generation, Transmission and Distribution; Process Industries, Pulp and Paper; Refineries; Rubber; Security; Scientific; Security and Environmental; Steel; Supervisory; Systems Field Engineering; Customer Training; Traffic; Warehousing and Inventory; Water and Waste Treatment.

Control Products Division
Beaver, Pennsylvania
Control for motors, starters, contactors, relays, pushbuttons, safety switches and enclosed breakers. Numalogic Solid State Control.

Distribution Apparatus Division
Bloomington, Indiana
Capacitors, lightning arresters, fuse cutouts, surge protection devices, reclosers, vacuum circuit breakers, air loadbreak switches, oil switches, T-Tap switches, linetraps, potential devices.

Electric Distribution Laboratory
Coral Springs, Florida
Constant testing and evaluation conducted under actual living environmental conditions with variables introduced by the resident population, weather, etc., encompasses 70 homes and apartments in a new city subdivision permitting use of the latest technology in electric power distribution without traditional hindrance from normal constraints such as codes and legal requirements.

Electromechanical Division
Cheswick, Pennsylvania
Main coolant pumps, valves, control rod drive mechanisms, and other specialized apparatus for nuclear reactors, pumps for controlled circulation boilers.

Electronic Systems Support Division
Cockeysville, Maryland
Nuclear Instrumentation and Control Systems-military and commercial. Integrated Logistics Support Systems-technical training operations, supply support, maintenance planning, field integration and services, support equipment, technical data, facility planning. Electronic Protection Systems for government and industry.

Westinghouse Elevator Company
Millburn, New Jersey
Manufacturing, sales, service, modernization and maintenance of elevators, escalators and walkways.

General Control Division
Buffalo, New York
Motor starters and controllers, special purpose control, control components, pilot devices, transfer switches.

Chicago, Illinois
Control centers and Type W Jr. group control.

Industry Equipment Division
Sykesville, Maryland
Electric arc welders, electronic beam welders, electrodes, accessories, brazing alloys; Laser systems, power sources. Induction heating equipment, ultrasonic devices for cleaning and processing equipment.

Industrial Systems Division
Buffalo, New York
Design and project management of large electrical drive systems and products for the industrial process and manufacturing systems and all the general industries. Component groupings include adjustable speed drives, crane drives, inverters, rectifiers, programmable controllers, numerical control and automatic material handling systems.

Industry Services Division
Pittsburgh, Pennsylvania

Apparatus Service Divisions
Pittsburgh, Pennsylvania

60 apparatus service plants and 75 engineering services locations strategically located domestically to service all industries around the clock. Modern facilities and engineering skills are available to maintain, repair and modernize mechanical and electrical equipment regardless of original manufacture. Also manufacturing and repair and engineering services are available at various locations throughout the world.

Westinghouse Instrument Service Co.
Atlanta, Georgia

Instrumentation and control capabilities include installation, calibration, commissioning, start-up, maintenance, instrumentation repair facilities.

Westinghouse Non-Current Renewal Parts and Special Products Plant
Pittsburgh, Pennsylvania

Manufacturer of Specialty products including non-current apparatus and parts. Product lines include: A.C. and D.C. motors and gearmotors, transportation motors, industrial control, pushbuttons, knife switches, circuit breakers, pantagraphs, bolt heaters and carbon brushes.

Marine Division
Sunnyvale, California

Marine propulsion steam turbines and reduction gears, ship's service turbine generator sets. Nuclear components manufacture. Electrical, mechanical and shock mitigation components for missile and rocket programs, missile launching and handling equipment, sub-sea oil well equipment.

Meter Division
Raleigh, North Carolina

Watthour, demand, recording meters, sockets and accessories. Pulse equipment for electric utility automated system analysis, planning, billing and environmental monitoring, and range timers.

Power Systems Planning
Advanced Systems Technology
Pittsburgh, Pennsylvania

Provides a large library of digital power system planning and analyses programs available through mail order consulting or via remote terminals. Operates Anacom analogue computer for transient analysis, mobile laboratories for field transient measurements, oscillographs lab for field use, electromagnetic compatibility measurements. Contracts research and development services, from feasibility studies to project management and construction, for prototype systems in generation, transmission and distribution.

Relay-Instrument Division
Newark, New Jersey

Electrical measuring instruments of all types, protective relays and relaying systems, relay instrument switch-boards, control and data systems.

Research Laboratories
Pittsburgh, Pennsylvania

Basic and applied research in chemistry, physics, mathematics, energy systems, solid state sciences, solid state devices, materials, materials processing, instrumentation, systems, communication, control electronics, power electronics, oceanography, and georesearch. Work done primarily in support of Westinghouse operating divisions, but also conducts contract research for the U.S. Government.

Semiconductor Division
Youngwood, Pennsylvania

Silicon rectifier diodes, silicon controlled rectifiers, silicon power transistors, silicon rectifier and controlled rectifier assemblies.

Specialty Transformer Division
Greenville, Pennsylvania

Cores: specialty transformer, Saturable core inductor, Navy dry type transformers, constant voltage and filtering transformers, load centers 30 kva and below.

Switchgear Division
East Pittsburgh, Pennsylvania

Assembled switchgear; high voltage fuses, network protectors, generator voltage regulators and automatic synchronizers; disconnect switches, substation structures, switchgear components, medium and low voltage air circuit breakers, control switches (type W); switchgear accessories, draw-out load interrupter switchgear.

Transformer Divisions:

Large Power Transformer Division
Muncie, Indiana

Power transformers above 30,000 kva; liquid immersed shunt reactors above 10,000 kvar, regulating and furnace transformers above 30,000 kva.

Medium Power Transformer Division
Sharon, Pennsylvania

Power transformers 10,001 to 60,000 kva; substation transformers 5,001 to 10,000 kva; grounding and rectifier transformers, dry type distribution transformers; dry type power center transformers 112-1/2 to 2500 kva; regulating and furnace transformers 30,000 kva and below; current and potential transformers, metering units.

Small Power Transformer Division
South Boston, Virginia

Liquid immersed (oil or Inerteen) auto transformers, network transformers, pad-mounted transformers, substation transformers and underground transformers 501 to 5,000 kva, and power center (secondary unit substations) 112-1/2 to 2500 kva.

Overhead Distribution Transformer Division
Athens, Georgia

Overhead liquid immersed distribution transformers.

Underground Distribution Transformer Division
Jefferson City, Missouri

Underground distribution transformers and equipment.

Oceanic Division
Annapolis, Maryland

Surveillance; sonar detection, data handling and display, instrumentation, oceanographic systems and equipment, flow meters, life support equipment, underwater systems, equipment and associated support items, torpedoes, advanced weapons; mine, weapon and CW countermeasures.

Westinghouse Tele-Computer Systems Corporation
Pittsburgh, Pennsylvania

A wide range of user-oriented problem-solving services involving both manual and computer-based information systems. Computing services, consulting services, data processing services, software services, tele-communications services, warehouse information systems.

Compagnie des Dispositifs Semiconducteurs
Westinghouse S.A.
B.P. 107
Avenue George-Durand
72 Le Mans, France

Assemblies, silicon rectifier and controlled rectifier; battery chargers; battery charging control; bridges, silicon rectifier and controlled rectifier, power supplies, and battery chargers, rectifier assemblies; rectifier diodes, silicon; semiconductors; silicon controlled rectifiers; silicon rectifiers.

Fusibles Westinghouse de Puerto Rico, Inc.
Luquillo, Puerto Rico

Power fuses.

Induselet, S.A.
Osasco, S.P., Brazil

Circuit breakers, enclosed circuit breakers; power centers, reactors; substations, CSP; transformers, distribution; transformers, power.

Marimi and Aminelli S.A.
Sao Paulo, Brazil

Disconnect switches; automated circuit breakers; push buttons; minimum oil circuit breakers; power fuses; bus duct; outdoor disconnect switches; switchboard and cubicles.

Semiconductors Westinghouse, Inc.
Gurabo, Puerto Rico

Medium and high power thyristors, rectifiers and bridge assemblies.

Servicios Industriales Westinghouse
Una Division de Venwesa
Apartado 542
Zona Industrial
Maracaibo, Venezuela

Room air conditioners; circuit breakers; control centers; group control; motor controls, power, regulating, synchronizing systems; freezers; fuses, power; motors; network protectors; network protector relays; panelboards; power centers, power centers for construction applications; refrigerators, domestic; regulators; relators, feeder voltage; repair service; static exciters; substation structures; substations; switchboards; switches; switchgear, accessories switchgear, assembled; synchronizers, generator; transformers, distribution; power transformers; turbine supervisory instrumentation.

Standard-Waygood, Ltd.
P.O. Box 13 Miowera Road
Willawood, N.S.W., 2163, Australia

Electrical adjustable speed drives, hi-torque assemblies, silicon rectifier and controlled rectifier, bus duct, circuit breakers, control centers; control, crane and defense; control, general mill; control, group; control, machine tool; control, materials handling; control, metal mill; control, numerical; control systems, electrical; drives, adjustable speed, electrical; induction heating equipment; installation supervision, electrical apparatus; instructional services; inverters, staticlarge dc motors; network protectors; network protector relays; numerical control; panelboards; power centers; power supplies, dc and battery chargers; reactors; rectifier assemblies; rectifier equipment, power; regulated systems; regulators, feeder voltage; service, electric (field engineering); substations, CSP; switchboards; switchgear; systems, industrial; transformers; self-contained power, unit substations.

Transformadores Westinghouse, Inc.
P.O. Box 127
Road 30, K.M.6.0 Barrio Rincon
Gurabo, Puerto Rico 00658

Transformers for general purpose applications.

Tubos Electronicos Westinghouse, Inc.
P.O. Box 127
Road 30, M 6.0, Barrio Rincon
Gurabo, Puerto Rico 00658

Electronic tubes.

Tyree Industries, Ltd.
P.O. Box 315
Liverpool, N.S.W. 2170, Australia

Capacitors; line traps, carrier; potential devicers, capacitor; reactors; power transformers, distribution transformers, instrument transformers.

Westinghouse Breakers, Inc.
Puerto Rico

Manufacture and assembly of circuit breakers.

Westinghouse Canada Limited
286 Sanford Avenue North
P.O. Box 510
Hamilton, Ontario, Canada

Adjustable speed drives-electrical; adjustable speed drives-mechanical, air cleaning units; air conditioners; central air conditioning; air handling lighting fixtures; air handling units; airport lighting regulators (solid state); lighting arresters; audio tone relaying systems; automatic dispatching control; automatic transfer switches; ballasts, lighting; bases, light bulb and electron tube; battery charging control; blowers; bus duct; bus, high voltage; capacitors; carrier relaying systems; circuit breakers; circuit breakers, molded case, loadcenter; circuit breakers, vacuum; commercial lighting; computerized metering systems; computers, digital; conductors, copper and aluminum; contactors, ac and dc; control centers; control components; control components, ac; control components, ac and dc; control, crane and defense; control devices; control, general mill; control, group; control, machine tool; control, materials handling; control, metal mill; control numerical; control special purpose; control, standard; control systems, electrical; control systems, chemical properties; control systems, electrical; control systems, chemical properties; control systems, combustion, flow and level, pressure and differential pressure, temperature-temperature difference; controls for motors; controls, supervisory and telemetering; cores for transformers; cutouts, fuse; dehumidifiers, residential; direct current HV transmission equipment systems; dishwashers; displays, CRT alphanumeric and graphical (WAND) * drives; drum controllers; dry cleaners, commercial dryers electric and gas; duct heaters, gas and electric; Dumet (copperclad); electric stairways; electric space heaters, baseboard heaters; electric walks; electric tubes; electrostatic air filters; Precipitron *, elevators, electric geared and gearless, hydraulic; enclosed circuit breakers; energy storage equipment; environmental data systems; fans; filaments, tungsten; fluorescent lamps; food waste disposers; freezers; fuses and fuse links; fuses power; gas turbines, land; gear units; gearmotors; gears, railway; ground fault protectors; heaters, electric; heaters, portable; housewares, electric; blankets, blenders, can openers, coffee makers, knives, food mixers, fry pans, hair stylers, irons, kettles, toasters, automatic; hydraulic products; industrial lighting; infra-red heaters, electric; installation supervision, electrical apparatus; instructional services; instrument auxiliary equipment; instruments, analog; integrated circuits; interlocks; inverters, static; lamps; Laundromat * automatic washers; lead-in wires, lamp and electronic tube; lighting, outdoor fluorescent, incandescent, mercury vapor, quartz, sodium; lighting fixtures; lighting, interior lighting, specialty interior; lights, indicating control; line tracing electronic systems

Westinghouse Electric Corporation

(Linatrol *); line traps, carrier, liquid dielectrics, oil and Inerteen * ; load centers, circuit breaker, mercury lighting; metals; Hi-purity single crystal; meter accessories, watthour, meters, demand; meters, mine-hoists friction treads. Westoflex * ; mine-hoists (Select-A-Level *); molybdenum-wire, rod, powder; motor starters and controllers; motors, ac integral hp, thru frame 449T; multimetering, network protectors; network protector relays; numerical control; panel instruments; panelboards, phonographs, photo-electric controls, pilot devices; pilot wire relaying systems; portable instruments; potential devices, capacitor; power centers, power centers for construction applications; power supplies, dc; power supplies, dc and battery chargers; protective devices, surge; protective relays, electromechanical and solid state; protective relays, general purpose overboard control; pulse recorders; pulse totalizing equipment; pumping control, duplex, irrigation, oil well; pushbuttons; radios; ranges, electric; range timers (consumer); reactors; reactors, charging; reactors, saturable core reclosers; recording instruments; rectifier equipment, power; reflectors, outdoor lighting, refrigeration; refrigerators, domestic; regulated systems; regulators, feeder voltage; relaying systems; relay-instrument switchboards; relays; relays, protective, solid state, and electromechanical; relays, solid state; relays for roadway lighting, repair service; roadway lighting safety switches; sectionalizers, automatic line; service, electric (field engineering); sewage treatment plants, packages; sockets and mountings, meter, sonar devices; speciality lighting products; speed measuring systems; speed reducers, stabilized camera and sensor mounts with high resolution, (WESSCAM *); starters for electric motors; static exciters; steam laboratory demonstration unit, steam turbine generators, land; Sterilamp equipment; strip heaters; substation structures; substations, CSP, surge protection equipment; supervisory control and telemetering; switchboard instrument; switchboards, relay-instrument; switchboards; switches, switches for roadway lighting; switches, load pick-up; switchgear; switchgear assembles with mini-oil circuit breakers up to 35kv; switchgear accessories; switchgear, assembled; switch houses; systems, industrial; synchronizers, generator, systems, relaying and supervisory control; tape recorders; terminal blocks; thorium; thyristor drives and power supplies (water-cooled); timers, ranger (consumer); transducers, current, transducers, instrument; transfer instrument; transfer switches, automatic transformers, dry type; transformers for roadway lighting, transformer protective devices; transformers, distribution; transformers, power, transformers, specialty; translation equipment turbine supervisory instrumentation; tubing, glass and quartz, T.V.; unit heaters, electric; unit substations, self-contained; ventilating sets; water-cooled lighting fixtures; water coolers; water heaters; water tank thermostats; wire-Dumet, wire forms; wire, magnet; wiring devices.

Westinghouse de Venezuela, S.A.
Div. Pantallas de Television
Apartado 1889
Caracas, Venezuela
Electronic tubes, TV picture tubes

Acquisition(s):

H. Maihak AG
West Germany

Transfer Agent(s):

Harris Trust Company of New York
110 William Street
9th Floor
New York, New York 10038

Mellon Bank, N.A.
Stock Transfer Department
P.O. Box 444
Pittsburgh, Pennsylvania 15230

Stock Exchange(s): New York, Boston, Philadelphia, Midwest, Pacific.

Ticker Symbol: WX

Number of Employees:

1984	126,845	1981	147,841
1983	132,927	1980	145,513
1982	145,251		

Sales and Earnings

	Net Sales + (000's)	Net Income (000's)
1984	$ 10,264,500	$ 535,900
1983	9,532,600	449,000
1982	9,745,400	449,300
1981	9,367,500	438,000
1980	8,514,300	402,900

	No. of Com Share ‡	Earn. per Share ‡
1984	177,301,873	$ 3.04
1983	176,881,388	2.54
1982	173,981,498	2.58
1981	171,785,296	2.55
1980	170,730,070	2.36

+ Of continuing operations only.
‡ Based on the average number of shares outstanding adjustd to reflect stock split.

Revenues By Line of Business
(000's)

	1984	1983
Energy & advanced tech.	$ 4,077,300	$ 3,835,300
Industrial	3,638,000	3,401,600
Commercial	1,843,700	1,643,200
Broadcasting & cable	984,900	852,400
Divested units	114,100	216,400
Intersegment sales	(393,500)	(416,300)
Total	$ 10,264,500	$ 9,532,600

Common Stock

	Cash Dividend#	Stock Dividend	Stock Split
1984	$0.975	—	2-for-1
1983	0.90	—	—
1982	0.90	—	—
1981	0.90	—	—
1980	0.70	—	—

Common Stock Equity

	Total Equity	Equity Per Share #
1984	$3,740,800,000	$ 21.10
1983	3,410,300,000	19.28
1982	3,175,000,000	18.25
1981	2,820,700,000	16.42
1980	2,529,900,000	14.82

Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 10,264,500	$ 9,532,600
Cost of sales	7,579,800	6,991,000
Expenses	1,648,700	1,680,800
Depreciation	426,000	383,000
Interest expense	176,600	151,100
Eq. in inc. of fin. subsid.	(105,200)	(72,800)
Other income	(123,600)	(59,100)
Income before taxes	$ 662,200	$ 458,600
Income taxes	122,600	4,100
Minority interest	3,700	5,500
Net Income	$ 535,900	$ 449,000

Assets
(000's)

As of Dec. 31	1984	1983
Cash & marketable securities	$ 611,500	$ 548,300
Accts. receiv., net	1,819,300	1,580,800
Costs in excess of billings	154,100	173,400
*Inventories	943,400	855,800
Prepaid & other current assets	608,300	739,300
Current Assets	$ 4,136,600	$ 3,897,600
Investments	694,800	605,100
#Fixed assets	3,295,400	3,090,000
Other assets	1,023,600	976,300
Total Assets	$ 9,150,400	$ 8,569,000

Liabilities
(000's)

Long-term debt, curr. & short-term loans	$ 1,115,100	$ 953,200
Accts. payable	600,200	549,300
Billings in excess of costs	1,095,600	1,198,700
Other current liabilities	1,439,000	1,450,900
Curr. Liabilities	$ 4,249,900	$ 4,152,100
Debentures & other debts	567,300	354,800
Minority interest	30,400	35,200
Other liabilities	562,000	616,600
+ Common stock	180,400	180,200
Add. paid-in capital	661,400	656,300
Retained earnings	3,063,500	2,698,300
Treasury stock	(99,200)	(80,300)
Curr. trans. adjust.	(65,300)	(44,200)
Total Liabilities & Shareholders' Equity	$ 9,150,400	$ 8,569,000

* At LIFO or current standard costs, which approximate actual or average cost.
# Less accumulated depreciation.
+ $3.125 par value.

Statistical Summary

%Income bef. Taxes to Sales	6.45	4.81
%Net Income to Sales	5.22	4.71
%Net Income to Equity	14.33	13.17
Sales to Inventories	10.88	11.14
Shareholders' Equity	$3,740,800,000	$3,410,300,000

Whirlpool Corporation

Benton Harbor, Michigan 49022
(616) 925-5000

Officers: Jack D. Sparks, president, chairman of the board & chief executive officer, Samuel M. Bateman, George E. Wardeberg, Robert L. Brintnall, exec. v.p.'s; Robert J. Flautt, Richard F. Koch, Leo R. Montgomery, Charles D. Putnam, Stephen E. Upton, Lloyd A. Wampach, sr. v.p.'s; Robert F. Gunts, William D. Mahron, Lawrence J. Kremer, David Whitwam, August Brogno, v.p.'s; William Houseal, Daniel Hopp, asst. secretaries; William E. Naylor, Robert R. Swender, asst. treasurers; James K. Doan, asst. controller.

Directors: Victor A. Bonomo, Roy D. Chapin, Jr., Douglas D. Danforth, John H. Platts, John H. Gerstenmaier, Bert E. Phillips, Robert A. Burnett, Philip L. Smith, Jack D. Sparks, Jack B. St.Clair, Kenneth J. Whalen.

Areas of Work: Manufactures home and commercial appliances, including microwave ovens, washers, dryers, refrigerators, ice makers, coolers, vacuum cleaners, ovens, dishwashers, dehumidifiers, freezers, central heating equipment, air conditioners and trash compactors.

Subsidiaries:

Heil-Quaker Corporation
Lewisburg, La Vergne & Nashville, Tn.
Produces furnaces, heaters and central electric air conditioners.

Whirlpool Acceptance Corporation
Benton Harbor, Michigan
A wholly owned finance subsidiary.

Whirlpool Trading Company
Benton Harbor, Michigan

Foreign Affiliates:

Brastemp, S.A.
Sao Paulo, Brazil

Consul S.A.
Joinville, Brazil

Embraco, S.A.
Joinville, Brazil

Inglis Limited
Toronto, Canada

Transfer Agent(s):

Harris Trust and Savings Bank
Stock Transfer Division
111 West Monroe Street
Chicago, Illinois 60690

Stock Exchange(s): New York, Midwest

Ticker Symbol: WHR

Number of Employees:

1984	22,004	1981	19,312
1983	22,627	1980	23,106
1982	18,949		

Plant Footage:

1984	10,095,000 sq ft.	1981	11,575,000
1983	11,298,000	1980	11,575,000
1982	11,282,000		

Sales and Earnings

	Net Sales +	Net Income
1984	$3,137,482,000	$ 189,565,000
1983	2,667,682,000	167,038,000
1982	2,271,305,000	139,015,000
1981	2,437,091,000	125,560,000
1980	2,225,696,000	101,699,000

	No. of Com. Shares	Earn. per Share #
1984	36,616,392	$ 5.18
1983	36,534,515	4.58
1982	36,429,523	3.83
1981	36,264,728	3.46
1980	36,238,195	2.81

+ Of continuing operations only.
# Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Home laundry appliances	$1,136,664,000	$1,017,019,000
Home refrigeration & room air conditioning	1,159,493,000	968,505,000
Other household appliances	581,771,000	476,104,000
Other products & svcs	259,554,000	206,054,000
Total	$3,137,482,000	$2,667,682,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$2.00	—	—
1983	1.85	—	—
1982	1.65	—	—
1981	1.60	—	—
1980	1.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$1,096,282,000	$ 29.94
1983	977,648,000	26.76
1982	875,074,000	24.02
1981	791,829,000	21.83
1980	723,658,000	19.97

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 3,137,482	$ 2,667,682
Eq. in earn. of affil. cos.	27,411	17,495
Other income	42,919	49,113
Total income	$ 3,207,812	$ 2,734,290
Cost of sales	2,476,235	2,102,740
Expenses	388,591	309,384
Interest expense	6,557	6,172
Provision for plant closings	4,564	23,156
Income before taxes	$ 331,865	$ 292,838
Income taxes	142,300	129,800
Inc.-cont. oper.	$ 189,565	$ 163,038
Inc.-discont. oper.	—	4,000
Net Income	$ 189,565	$ 167,038

* Included in Costs and Expenses, Depreciation and Amortization: $70,170,000 in 1984 and $61,282,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & short-term invest.	$ 310,621	$ 418,410
Receiv., net	199,476	182,777
Def. inc. taxes	7,890	29,901
*Inventories	359,726	264,480
Prepaid expenses	34,719	9,481
Current Assets	$ 912,432	$ 905,049
Investments & other assets	265,672	238,373
#Fixed assets	386,911	323,081
Total Assets	$ 1,565,015	$ 1,466,503

Liabilities
(000's)

Accts. payable	$ 195,613	$ 185,236
Accruals	71,341	82,227
Accrued payroll & other compen.	84,899	83,811
Income taxes	3,922	26,200
Product warranty	19,979	18,280
Curr. Liabilities	$ 375,754	$ 395,754
Long-term debt	52,751	56,648
Product warranty	14,432	14,748
Deferred inc. taxes	25,796	21,705
+Common stock	36,617	36,535
Add. paid-in capital	32,620	30,450
Retained earnings	1,027,045	910,663
Total Liabilities & Shareholders' Equity	$ 1,565,015	$ 1,466,503

* At lower of cost or market. Large appliances stated at LIFO, remainder at FIFO.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	10.58	—
%Net Income to Sales	6.04	—
%Net Income to Equity	17.29	17.09
Sales to Inventories	8.72	10.09
Working Capital	$ 536,678,000	$509,295,000
Current Ratio	2.43	2.29
Shareholders' Equity	$1,096,282,000	$977,648,000

Whitehall Corporation

2659 Nova Drive
Dallas, Texas 75229
(214) 247-8747

Mailing address:

P.O. Box 29709
Dallas, Texas 75229

Officers: Lee D. Webster, chairman of the board and president; Carl R. Anderson, v.p. & controller; Daniel J. Hampton, v.p.-corp. planning & marketing; George M. Pavey, vice president; George Slover, Jr., secretary.

Directors: Lee D. Webster, chairman; George M. Pavey, Robert B. Gilmore, John A. Crichton, Henry I. McGee, Jr., J.L. Huffines, Jr., John H. Wilson, III.

Areas of Work: Divided into four groups: Earth Sciences, Aerospace, Defense Electronics and Electronic Components. The Earth Sciences Group manufactures and sells underwater sensing systems used for offshore geophysical surveys and naval surveillances. The Aerospace Group rebuilds and modifies military aircraft airframes and electronic systems. The Defense Electronics Group was formed in 1983 to participate in the electronic warfare market. The Electronic Components Group manufactures and markets frequency controlling quartz crystals.

Divisions and Subsidiaries:

Crystek Crystals Corporation
1000 Crystal Drive
Fort Myers, Florida 33901
(813) 936-2100

Seismic Engineering Company
2659 Nova Drive
Dallas, Texas 75229
(214) 241-7581

Seismic Export Corporation
2659 Nova Drive
Dallas, Texas 75229
(214) 241-7581

Rogers Explorations, Inc.
1133 Empire Central
Dallas, Texas 75247
(214) 631-3373

Electroscience Division
1133 Empire Central
Dallas, Texas 75247
(214) 631-3373

Hydroscience, Inc.
2659 Nova Drive
Dallas, Texas 75229
(214) 247-9052

Seismic Exploration International, S.A.
2659 Nova Drive
Dallas, Texas 75229
(214) 241-7581

Geophysical Data Processing Center, Inc.
1133 Empire Central
Dallas, Texas 75247
(214) 631-3373

Aero Corporation
Lake City, Florida 32055
(904) 752-7911

Transfer Agent(s):

BancTEXAS Dallas, N.A.
Dallas, Texas

Stock Exchange(s): New York

Ticker Symbol: WHT

Number of Employees:

1984	N.A.	1981	1,457
1983	1,392	1980	1,428
1982	1,427		

Plant Footage:

1984	N.A.	1981	781,000
1983	846,000 sq. ft.	1980	755,000
1982	846,000		

N.A. - Not Available

Sales and Earnings

	Net Sales	Net Income
1984	$ 63,277,276	$ 9,381,403
1983	64,537,571	11,478,185
1982	63,084,491	8,826,631
1981	53,910,743	4,906,268
1980	45,554,477	1,876,508

	No. of Com. Shares ‡	Earn. per Share ‡
1984	3,719,040	$ 2.52
1983	3,760,948	3.05
1982	3,762,756	2.35
1981	3,762,756	1.30
1980	3,762,756	0.50

‡ Based on the average number of common shares and common share equivalents outstanding adjusted to reflect stock split.

Revenues By Line of Business

	1984	1983
Electronic components	$ 2,949,000	$ 2,310,000
Geophysical equipment & exploration service	23,354,000	36,031,000
Aircraft repair & maintenance	36,974,000	26,197,000
Total	$ 63,277,000	$ 64,538,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	—	—	—
1983	—	—	—
1982	—	—	—
1981	—	—	2-for-1

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 46,935,000	$ 12.62
1983	38,729,000	10.32
1982	27,622,000	7.34
1981	18,795,000	5.00
1980	13,889,000	3.69

‡ Adjusted to reflect stock split.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 63,277,276	$ 64,537,571
Other inc.	1,086,117	774,603
Total Income	$ 64,363,393	$ 65,312,174
Cost of sales	39,278,484	37,790,427
Expenses	7,793,260	6,992,832
Interest expense	272,246	300,730
Income before taxes	$ 17,019,403	$ 20,228,185
Income taxes	7,638,000	8,750,000
Net Income	$ 9,381,403	$ 11,478,185

* Included in Costs and Expenses, Depreciation and Amortization: $3,236,075 in 1984 and $2,991,294 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 11,608,900	$ 13,131,192
Accts. receiv., net	36,621,657	21,912,728
Income taxes	—	521,140
*Inventories	11,656,429	8,083,727
Prepaid expenses	921,064	748,740
Current Assets	$ 60,808,050	$ 44,397,527
#Fixed assets	16,550,537	18,623,345
Total Assets	$ 77,358,587	$ 63,020,872

Liabilities

	1984	1983
Long-term debt, curr.	$ 410,579	$ 408,451
Accts. payable & accruals	4,714,240	5,197,568
Income taxes	13,680,599	581,376
Curr. Liabilities	$ 18,805,418	$ 6,187,395
Long-term debt	—	410,579
Deferred inc. taxes	11,617,669	17,693,401
+Common stock	377,376	377,376
Add. paid-in capital	1,053,211	1,053,211
Retained earnings	47,077,534	37,696,131
Treasury Stock	(1,572,621)	(397,221)
Total Liabilities & Shareholders' Equity	$ 77,358,587	$ 63,020,872

* At cost (FIFO) not in excess of market.
# Less accumulated depreciation and amortization.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	26.90	31.34
%Net Income to Sales	14.83	17.79
%Net Income to Equity	19.99	29.64
Sales to Inventories	5.43	7.98
Working Capital	$42,002,632	$38,210,132
Current Ratio	3.23	7.18
Shareholders' Equity	$46,935,500	$38,729,497

Whittaker Corporation

10880 Wilshire Boulevard
Los Angeles, California 90024
(213) 475-9411

Officers: Joseph F. Alibrandi, president & chief executive officer; Harry S. Derbyshire, executive v.p., chief financial officer & treasurer; Gregory T. Parkos, exec. v.p.; Daniel Hofmann, v.p. & chief accounting officer; Paul B. Dinkel, sr. v.p.; Alan D. Jacobson, sr. v.p. & secretary; Frank C. Buhlman, Jean d'Aligny d'Assignies, George H. Hunter, Jr., Thomas O. Maxfield, Robert W. Murray, John R. Freeman, Ronald W. Johnston, Bruce Blomstrom, Douglas W. Hvemme, Joseph L. Marcarelli, Gary B. Wyngarden, Frank Perna, Jr., v.p.'s; Ronald C. Moss, v.p. & controller.

Directors: Joseph F. Alibrandi*, Sanford Kaplan*, Harry S. Derbyshire*, J. Dewey Daane, Walter B. Gerken, Robert Reznick* Edmund R. Ackell, John C. West, Frank J. Rauscher Jr., Carl E. Hartnack*

* Member of Executive Committee

Areas of Work: The Company is involved in five separate areas: metals, technology, marine and recreation, life sciences and chemicals. Products include alloys, steels, tubular metal products, metal castings, fabricated metal products, biomedical research and testing, biomedical equipment, yachts, special purpose craft, hydraulic equipment, fluid controls, electronic equipment, high energy batteries, irrigation equipment, pyrotechnics and propellants, industrial finishes, plastics products and rubber to metal adhesives.

Electronics & Related Divisions & Subsidiaries:

Bennes Marrel S.A.
Zone Industrielle
42160 Andrezieux-Bouthcon
France

Trucking tipping bodies and packing units, bulk handling equipment, solid waste handling and compacting systems, airport service and maintenance equipment, hydraulic power and control systems, power steering and power transmission equipment.

Electronic Resources Division
100 East Tujunga Street
Burbank, California 91502
(213) 843-5770

High temperature coaxial cables, electronic components and subsystems, mechanical and electronic counters.

Bermite Division
22116 West Soledad Canyon Road
Saugus, California 91350
(805) 259-2241

Electrochemical devices and propulsion systems, flares, igniters and initiators, fuses, and pyrotechnic devices.

Tasker Systems Division
20131 Sunburst Street
Chatsworth, California 91311
(213) 341-3010

Air traffic control systems, antenna tracking devices, radar simulators, radar tracking devices, tactical radar jammers, electronic components and subsystems.

Yardney Corporation
82 Mechanic Street
Pawcatuck, Connecticut 06397
(203) 599-1100

High-energy density batteries, high-intensity portable lights, battery chargers and control systems, marine emergency beacons, irrigation system filters.

Whittaker Controls Division
12838 Saticoy Street
North Hollywood, California 91605
(213) 765-8160

Valves, actuators and pumps for aircraft hydraulic, pneumatic and fuel systems; electronic proximity switches.

Transfer Agent(s):

South Pacific National Bank (common & preferred stock)
333 South Hope Street
Los Angeles, California 90071

Citibank, N.A.
111 Wall Street
New York, New York 10043

Stock Exchange(s): New York, Pacific

Ticker Symbol: WKR

Number of Employees:

1984	10,800	1981	17,100
1983	16,800	1980	16,600
1982	17,300		

Plant Footage:

1984	9,000,000 sq. ft.	1981	9,000,000
1983	9,000,000	1980	9,000,000
1982	9,000,000		

Sales and Earnings

	Net Sales (000's)	Net Income (000's)
1984	$ 1,437,026	$ 43,870
1983	1,602,825	37,609
1982	1,673,604	58,608
1981	1,671,837	69,328
1980	1,396,225	57,504

	No. of Com. Shares #	Earn. per Share #
1984	14,375,000	$ 3.01
1983	14,508,000	2.55
1982	15,411,000	3.77
1981	15,619,000	4.40
1980	14,597,000	3.90

Based on average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Metals	$ 277,988	$ 210,148
Technology	207,124	235,011
Marine	121,483	116,197
Chemical	106,761	91,722
Life Sciences	723,670	949,747
Total	$ 1,437,026	$ 1,602,825

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$1.35	—	—
1983	1.60	—	—
1982	1.60	—	—
1981	1.40	—	—
1980	1.00	—	—

Common Stock Equity

	Total Equity ‡	Equity Per Share
1984	$ 335,601,880	$ 24.88
1983	334,043,620	23.97
1982	322,084,605	23.28
1981	332,195,975	22.23
1980	275,964,915	19.53

‡ After allowing for $1.25 and $5 cumulative convertible preferred stock at redemption values of $35 and $100.

Income Account *
(000's)

Year ended Oct. 31	1984	1983
Net sales	$ 1,437,026	$ 1,602,825
Cost of sales	1,119,059	1,263,547
Expenses	190,536	212,799

Interest expense	15,967	18,000
Other interest exp. (inc).	(5,051)	1,904
Goodwill write-off	11,944	—
Minority interest	19,217	41,104
Income before taxes	$ 85,354	$ 65,471
Income taxes	41,484	27,862
Net Income	$ 43,870	$ 37,609

* Included in Costs and Expenses, Depreciation and Amortization: $21,475,000 in 1984 and $23,810,000 in 1983.

Assets
(000's)

As of Oct. 31	1984	1983
Cash	$ 26,267	$ 20,787
Time deposits	40,572	59,124
Receiv., net	253,208	321,455
Deferred taxes	32,110	23,318
*Inventories	213,569	223,010
Prepaid expenses	3,253	2,896
Current Assets	$ 568,979	$ 650,590
Notes receiv.	30,679	35,290
#Fixed assets	185,397	192,789
Goodwill	25,499	37,740
Miscellaneous	62,590	57,313
Total Assets	$ 873,144	$ 973,722

Liabilities
(000's)

Notes payable	$ 6,284	$ 81,401
Long-term debt, curr.	5,747	6,533
Accts. payable	167,497	178,007
Accruals	82,972	117,589
Income taxes	54,431	51,962
Curr. Liabilities	$ 316,931	$ 435,492
Long-term debt	140,000	148,867
Def. inc. taxes	30,843	21,627
Minority interest	36,955	20,815
+ Preferred stock:		
$1.25 cumulative convertible	19	21
$5.00 cumulative convertible	121	121
+ Common stock	20,995	21,463
Add. paid-in capital	129,552	128,774
Retained earnings	231,187	217,066
Cum. trans. adjust.	(33,459)	(20,524)
Total Liabilities & Shareholders' Equity	$ 873,144	$ 973,722

* At lower of cost (LIFO & FIFO) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.94	4.08
%Net Income to Sales	3.05	2.35
%Net Income to Equity	12.59	10.84
Sales to Inventories	6.73	7.19
Working Capital	$252,048,000	$215,098,000
Current Ratio	1.80	1.49
Shareholders' Equity	$348,415,000	$346,921,000

Williams Electronics, Inc.

3401 North California Avenue
Chicago, Illinois 60618
(312) 267-2240

767 Fifth Avenue
New York, New York 10153
(212) 751-5300

Officers: Louis J. Nicastro, chairman of the board, president, chief executive & chief operating officer; Norman J. Menell, executive v.p.; E. John Nemec, v.p.; Richard H. Wilkus, v.p.-finance, treasurer, chief financial & accounting officer; John W. Masterson, v.p.-manufacturing; Joseph P. Dillon, v.p.-sales; Ronald J. Crouse, v.p.; Jeffrey N. Siegel, secretary.

Directors: Louis J. Nicastro*, chairman; Norman J. Menell*, William C. Bartholomay, Charles Koppelman, William E. McKenna, Harvey Reich, George Baker.

* Member of the Executive Committee.

Areas of Work: The Company is engaged in the design, manufacture and sale of electronic coin-operated amusement games. The Company's games include both pinball and video games which use electronic technology.

Subsidiaries:

Williams Video Games, Inc.
1910 Swanson Court
Gurnee, Illinois 60031
(312) 662-7001

Williams International Sales Corp.
3401 North California Avenue
Chicago, Illinois 60618
(312) 267-2240

Posadas de Puerto Rico Associates, Inc.
999 Ashford Avenue
San Juan, Puerto Rico 00902
(809) 721-1000

Williams Hospitality Management Corp.
999 Ashford Avenue
San Juan, Puerto Rico 00902
(809) 721-1000

Williams Entertainment Corporation
767 Fifth Avenue
New York, New York 10153
(212) 751-5300

Williams Hotel Corporation
767 Fifth Avenue
New York, New York 10153
(212) 751-5300

Williams Electronics Games, Inc.
3401 North California Avenue
Chicago, Illinois 60618
(312) 267-2240

Williams Innovative Technologies, Inc.
3401 North California Avenue
Chicago, Illinois 60618
(312) 267-2240

ESJ Hotel Corporation
767 Fifth Avenue
New York, New York 10153
(212) 751-5300

Transfer Agent(s):

J. Henry Schroder Bank & Trust Company
One State Street
New York, New York 10015

Continental Illinois National Bank and Trust
Company of Chicago
30 North LaSalle Street
Chicago, Illinois 60693

Stock Exchange(s): New York

Sales and Earnings

	Revenues	Net Income†
1984	$ 57,506,000	$ (14,473,000)
1983	84,514,000	9,849,000
1982	132,969,000	16,168,000
1981	148,693,000	18,820,000
1980	79,974,000	4,845,000

	No of Com. Shares ‡	Earn. per Share †‡
1984	7,523,750	$ —
1983	7,523,750	1.28
1982	7,509,625	2.02
1981	7,500,000	2.51
1980	7,500,000	0.65

† Including extraordinary gains of $275,000 ($0.03 per share) in 1982, $381,000 ($0.05 per share) in 1981 and $283,000 ($0.04 per share) in 1980.
‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.15	—	—
1983	0.50	—	—
1982	0.20	—	—
1981	—	—	3-for-2

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 30,530,000	$ 4.06
1983	46,132,000	6.13
1982	39,928,000	5.32
1981	25,183,000	3.36
1980	8,855,000	1.18

‡ Based on the average number of shares outstanding adjusted to reflect stock split.

Income Account *
(000's)

Year ended Sept. 30	1984	1983
Net sales	$ 18,129	$ 67,797
Other income	734	16,717
Hotel & casino oper.	38,643	—
Total Income	$ 57,506	$ 84,514
Cost of sales	37,400	56,119
Hotel/casino oper. exp.	26,936	—
Expenses	19,702	14,494
Royalty adjust.	1,604	—
Minority interest	713	—
Interest income	(1,892)	(3,294)
Interest expense	6,437	3,707
Gains rel. to int. in hotel/casino	(9,747)	(4,654)
Write-off of exc. purch. cost	3,000	—
Inc. (loss) bef. taxes	$ (26,647)	$ 18,142
Income taxes (credit)	(12,174)	8,293
Net Income (Loss)	$ (14,473)	$ 9,849

* Included in Costs and Expenses, Depreciation and Amortization: $3,852,000 in 1984 and $1,991,000 in 1983.

Assets
(000's)

As of Sept. 30	1984	1983
Cash & cash equiv.	$ 19,874	$ 18,805
Receiv., net	5,551	18,823
*Inventories	8,086	13,788
Recov. inc. taxes	8,015	—
Deferred inc. taxes & prepaid expenses	2,784	3,388
Current Assets	$ 44,310	$ 54,804
Investments	1,778	—
Interest in hotel/casino	—	20,253
Other assets	5,373	5,335
#Fixed assets	31,593	30,897
Intangibles	9,805	12,972
Total Assets	$ 92,859	$ 124,261

Liabilities
(000's)

Long-term debt, curr.	$ 1,498	$ 1,582
Accts. payable	2,939	4,369
Accruals	4,654	5,032
Income taxes	4,374	4,062
Def. royalty inc.	—	3,150
Other accruals	3,639	2,710

Cur. Liabilities	$ 17,104	$ 20,905
Long-term debt	39,562	52,274
Minority interest	5,663	4,950
+ Common stock	3,762	3,762
Add. paid-in capital	433	433
Retained earnings	26,335	41,937
Total Liabilities & Shareholders' Equity	$ 92,859	$ 124,261

* At lower of cost (FIFO) or market.
# Less accumulated depreciation and amortization.
+ $0.50 par value.

Statistical Summary

%Income bef. Taxes to Revenues	—	21.47
%Net Income to Revenues	—	11.65
%Net Income to Equity	—	21.35
Working Capital	$27,206,000	$33,899,000
Current Ratio	2.59	2.62
Shareholders' Equtiy	$30,530,000	$46,132,000

Wiltek, Inc.

542 Westport Avenue
Norwalk, Connecticut 06851
(203) 853-7400

Officers: Robert W. Cruickshank, chairman; Jay W. Fitzpatrick, president, chief exec. & chief financial officer and treasurer; Boris Frenkiel, F. Spencer Pooley, Jr., Jeffrey Stuart, v.p.'s; Alexander R. Hamilton, secretary.

Directors: Martha M. Driver, Richard T. Niner, Ellis L. Phillips, Jr., Jay W. Fitzpatrick, Robert W. Cruickshank.

Areas of Work: Engaged in the design, manufacture, sale and maintenance of data communication systems and services.

Subsidiaries:

Wiltek (U.K.) Ltd.
Wiltek International, Inc.
Wiltek Leasing, Inc. (DISC)

Transfer Agent(s):

Hartford National Bank and Trust Company
Hartford, Connecticut

Stock Exchange(s): Over-the-Counter

Number of Employees*:

1984	26	1981	21
1983	N.A.	1980	21
1982	21		

Plant Footage:

1984	15,000 sq. ft.	1981	15,000
1983	15,000	1980	15,000
1982	15,000		

* Full-time only.
N.A. - Not Available.

Sales and Earnings

	Revenues	Net Income ‡
1984	$ 2,299,200	$ (750,500)
1983	1,848,500	(393,400)
1982	2,867,300	571,700
1981	2,460,200	803,500
1980	1,914,500	906,600

	No. of Com. Shares	Earn. per Share ‡#
1984	4,774,219	$ —
1983	4,774,219	—
1982	3,631,493	0.17
1981	3,631,493	0.20
1980	3,456,493	0.22

(Loss)
‡ Including extraordinary gains of $39,200 ($0.01 per share) in 1984, $157,000 ($0.04 per share) in 1983, $321,500 ($0.09 per share) in 1982, $389,800 ($0.10 per share) in 1981, and $700,200 ($0.17 per share) in 1980.
# Based on the weighted average number of common shares and common share equivalents outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,953,200	$ 0.62
1983	3,703,700	0.78
1982	2,934,500	0.81
1981	2,362,900	0.65
1980	1,384,400	0.40

Income Account *

Year ended Oct. 31	1984	1983
Revenues	$ 2,299,200	$ 1,848,500
Cost of sales	1,512,900	1,041,900
Expenses	1,728,700	1,393,800
Interest income	(203,100)	(163,100)
Other exp. (income)	11,200	(30,700)
Loss before taxes	$ (750,500)	$ (393,400)
Income taxes	39,200	157,000
Net Loss	$ (789,700)	$ (550,400)
Extraord. gain	39,200	157,000
Net Loss & extraord. gain	$ (750,500)	$ (393,400)

* Included in Costs and Expenses, Depreciation and Amortization: $470,200 in 1984 and $412,500 in 1983.

Assets

As of Oct. 31	1984	1983
Cash & cert. of deposit	$ 1,694,500	$ 2,427,200
Accts. receiv., net	374,100	161,700
Other assets	33,800	28,200
Current Assets	$ 2,102,400	$ 2,617,100
‡Rental Equip.	1,226,900	1,336,700
Total Assets	$ 3,329,300	$ 3,953,800

Liabilities

Accruals	$ 359,000	$ 234,400
Deferred revenue	17,100	15,700
Curr. Liabilities	$ 376,100	$ 250,100
+ Common stock	1,593,900	1,593,900
Add. paid-in capital	5,702,100	5,702,100
Deficit	(4,325,500)	(3,575,000)
Treasury stock	(17,300)	(17,300)
Total Liabilities & Shareholders' Equity	$ 3,329,300	$ 3,953,800

‡ Less accumulated amortization.
+ No par value; $0.33⅓ stated value.

Statistical Summary

Working Capital	$1,726,300	$2,367,000
Current Ratio	5.59	10.46
Shareholders' Equity	$2,953,200	$3,703,700

The Wurlitzer Company

403 East Gurler Road
DeKalb, Illinois 60115
(815) 756-2771

Officers: A. Donald Arsem, chairman of the board; George B. Howell, president & chief executive officer; William J. Young, sr. v.p.-marketing; James M. Graham, v.p.-nat'l. sales mgr., consumer products; Fred P. Youssi, v.p.-manufacturing; Wallace R. Borgeson, sr. v.p. finance & administration; R.W. Donaldson, v.p. & treasurer; Richard R. White, controller; Gary B. Hurt, secretary & counsel.

Directors: J.M. Hutton III, A.D. Arsem, Marjorie B. Paullin, Wallace R. Borgeson, George B. Howell, William A. Rolfing, Frank J. Merrill.

Areas of Work: Manufactures pianos, electronic pianos, electronic organs, coin operated phonographs and cigarette vendors.

Divisions:

Corinth, Mississippi
Manufactures electronic organs.

Holly Springs, Mississippi
Manufactures pianos and piano keys and actions.

Foreign Subsidiaries:

Deutsche Wurlitzer GmbH
Hullhorst, Germany

Wurlitzer Limited
Knutsford, Cheshire, England

Wurlitzer Canada Limited
Toronto, Ontario, Canada

Wurlitzer Australia Pty. Ltd.
Taren Point, New South Wales, Australia

Transfer Agent(s):

The Chase Manhattan Bank
One New York Plaza, 14th floor
New York, New York 10015

Stock Exchange(s): New York

Ticker Symbol: WUR

Number of Employees:

1984	898 (Domestic empl.)	1982	1,800
1983	N.A.		

Plant Footage:

1984	N.A.	1982	130,000
1983	30,000 sq. ft.		

N.A.-Not Available

Sales and Earnings

	Net Sales	Net Income ‡
1985	$ 49,071,000	$ (4,887,000)
1984	63,127,000	1,034,000
1983	58,661,000	(4,296,000)
1982	74,410,000	(5,531,000)
1981	84,828,000	(6,090,000)

	No. of Com. Shares	Earn. per Share #‡
1985	1,786,000	$ —
1984	1,786,000	0.58
1983	1,786,000	—
1982	1,786,000	—
1981	1,785,867	—

(Loss)
Based on the average number of shares outstanding.
‡ Including extraordinary credits of $209,000 ($0.12 per share) in 1984 and $196,000 ($0.11 per share) in 1982.

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 13,564,000	$ 7.59
1984	19,058,000	10.67
1983	18,319,000	10.26
1982	22,384,000	12.53
1981	28,141,000	15.76

Income Account *

Year ended March 31	1985	1984
Net sales	$ 49,071,000	$ 63,127,000
Cost of sales	40,640,000	48,601,000
Expenses	121,174,000	11,638,000
Interest expense	2,975,000	2,414,000
Other income	(1,381,000)	(1,153,000)
Income (loss) bef. taxes	$ (5,337,000)	$ 1,627,000
Income taxes (credit)	(450,000)	802,000
Net Income (Loss)	$ (4,887,000)	$ 825,000
Extraord. gain	—	209,000
Net Income (Loss) & extraord. gain	$ (4,887,000)	$ 1,034,000

* Included in Costs and Expenses, Depreciation and Amortization: $1,069,000 in 1985 and $1,155,000 in 1984.

Assets

As of March 31	1985	1984
Cash & short-term invest.	$ 1,019,000	$ 1,634,000
Income tax refunds receivable	16,275,000	19,803,000
*Inventories	16,837,000	17,850,000
Current Assets	$ 34,131,000	$ 39,287,000
#Fixed assets	10,020,000	11,056,000
Other assets & prepaid exp	1,554,000	1,624,000
Total Assets	$ 45,705,000	$ 51,967,000

Liabilities

	1985	1984
Notes payable	$ 5,450,000	$ 2,516,000
Long-term debt, curr.	431,000	444,000
Accts. payable	4,953,000	9,265,000
Accruals	3,248,000	3,727,000
Curr. Liabilities	$ 14,082,000	$ 15,952,000
Long-term debt	17,728,000	16,104,000
Deferred comp.	331,000	191,000
Deferred inc. taxes	—	662,000
+ Common stock	17,859,000	17,859,000
Accumulated translation adjustment	(897,000)	(290,000)
Retained earnings (deficit)	(3,398,000)	1,489,000
Total Liabilities & Shareholders' Equity	$ 45,705,000	$ 51,967,000

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $10 par value.

Statistical Summary

	1985	1984
%Income bef. Taxes to Sales	—	2.58
%Net Income to Sales	—	1.31
%Net Income to Equity	—	4.33
Sales to Inventories	2.91	3.54
Working Capital	$20,049,000	$23,335,000
Current Ratio	2.42	2.46
Shareholders' Equity	$13,564,000	$19,058,000

Wyle Laboratories

128 Maryland Street
El Segundo, California 90245
(213) 678-4251

Officers: Stanley A. Wainer, chairman, president & chief executive officer; Theodore M. Freedman, exec. v.p.-finance, treasurer & chief financial officer; Charles M. Clough, exec. v.p. & president-Electronics Marketing Group; John R. Herring, exec. v.p. and president-Scientific Services & Systems Group and Industrial Manufacturing Group; Joseph E. Sullivan, v.p., secretary, corporate controller, and chief accounting officer.

Directors: Frank S. Wyle*, Lawrence E. Irell, Stanley A. Wainer*, John R. Herring*, Elvin W. Feige, Raymond J. Raff, James J. McMorrow*, Edward Sanders, F. Stephen Wyle, Theodore M. Freedman*, Charles M. Clough.

* Member of the Executive Committee.

Areas of Work: Industrial distribution of electronic components and systems including sales, service, and finance functions; research, engineering, and testing services to the energy, aerospace/defense, acoustics, and transportation industries; manufactures electronic enclosures and electrical cables; operates a fleet of tanker trucks and specialized closed van trailers.

Divisions and Subsidiaries:

Scientific Services & Systems Group

Huntsville Facility
7800 Governors Drive, West
P.O. Box 1008
Huntsville, Alabama 35807
(205) 837-4411

Refurbishment, functional testing, and certification of safety valves, snubbers, etc., for nuclear power plants; seismic shock testing of very large nuclear power plant equipment, functional testing of radioactive components; boating safety, simulator design; rocket and spacecraft testing.

Hampton Facility
3200 Magruder Boulevard
Hampton, Virginia 23666
(804) 838-5000

Design, assembly, programming, and operation of computer-based data systems; instrument calibration and maintenance.

Norco Facility
1841 Hillside Avenue
Norco, California 91760
(714) 737-0781

Full scale testing of large nuclear power plant safety systems, valves, flowmeters, etc.; high-force seismic testing and analysis; hazardous testing, encompassing cryogenics, fuels, solid rockets, and ordnance.

Foundation Mechanics, Inc.
128 Maryland Street
El Segundo, California 90245
(213) 678-4251

Production of equipment for highway and airfield pavement and subgrade analysis.

El Segundo Facility
128 Maryland Street
El Segundo, California 90245
(213) 678-4251

Aerospace testing, with emphasis on high flow and/or high pressure pneumatics and on shock and vibration.

Riverdale Facility
Riverdale, Maryland

Research Staffs:
El Segundo, California
Hampton, Virginia
Huntsville, Alabama
Washington, D.C.

Consulting services and contract research in the physical sciences, specializing in acoustics; aerospace and seismic studies.

Electronics Marketing Group

Headquarters:
Irvine, California

Divisions:
Dallas, Texas
Denver, Colorado
Portland, Oregon
Salt Lake City, Utah
Seattle, Washington
Phoenix, Arizona
El Segundo, Irvine, San Dego, Sacramento, Santa Clara, Huntington Beach, California

Industrial Manufacturing Group

Lewis Machine Company
3441 East 76th Street
Cleveland, Ohio 44127
(216) 641-3015

Wire and bar strengthening and cutting machines.

Central Petroleum Company
548 Northern Ohio Bank Building
Cleveland, Ohio 44113
(216) 771-0400

Lubricants, fuel additives, insecticides, paints, roofing materials, anti-freezes, etc.

Burton Electrical Engineering
111 Maryland Street
El Segundo, California 90245
(213) 322-0615

Design and manufacture of electrical ground support systems for aircraft, electrical cable systems for the oil well industry, and other kinds of electrical connecting systems.

Electronic Enclosures:

225 South Aviation Boulevard
El Segundo, California 90245
(213) 679-0181

6995 Airport Highway
Pennsauken, New Jersey 08109
(609) 665-6810

Wyle Distribution Group

Wyle Distribution/El Segundo
124 Maryland Street
El Segundo, California 90245
(213) 322-8100

Industrial distribution of electronic components.

Wyle Distribution/Santa Clara
3000 Bowers Avenue
Santa Clara, California 95051
(408) 727-2500

Industrial distribution of electronic components.

Wyle Distribution/Denver
Denver, Colorado
6777 East 50th Street
Commerce City, Colorado 80022
(303) 287-9611

Industrial distribution of electronic components.

Wyle Distribution/San Diego
9525 Chesapeake Drive
San Diego, California 92123
(714) 565-9171

Industrial distribution of electronic components.

Wyle Distribution/Phoenix
8155 North 24th Avenue
Phoenix, Arizona 85201
(602) 249-2232

Industrial distribution of electronic components.

Wyle Distribution/Orange County
17981 Skypark Circle
Irvine, California 92714
(714) 751-9850

Wyle Data Services, Inc.
15302 Bolsa Chica
Huntington Beach, California 92642
(213) 598-9555

Development and support of on-line computer services and software.

Transportation Group

Redwing Carriers, Inc.
8515 Palm River Road
P.O. Box 426
Tampa, Florida 33601
(813) 621-2046

Common carrier highway transport of liquid and dry bulk commodities.

Transfer Agent(s):
Security Pacific National Bank
Corporate Services Division
P.O. Box 3546, Terminal Annex
Los Angeles, California 90051

Stock Exchange(s): New York

Ticker Symbol: WYL

Number of Employees:

1985	N.A.	1982	2,100
1984	2,000	1981	2,200
1983	1,800		

N.A. - Not Available.

Sales and Earnings

	Net Sales †	Net Income
1985	$ 354,596,000	$ 9,395,000
1984	293,623,000	7,134,000
1983	207,683,000	(3,179,000)
1982	222,812,000	(2,147,000)
1981	227,694,000	6,589,000

	No. of Com. Shares #	Earn. per Share #
1985	7,594,000	$ 1.24
1984	6,792,000	1.05
1983	5,584,000	—
1982	5,558,000	—
1981	5,680,000	1.16

(Loss)
† Of continuing operations only.
# Based on the average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1985	1984
Electronics mktng.	$ 274,685	$ 226,810
Scientific serv. & syst.	49,111	39,328
Industr. mfg.	30,800	27,485
Total	$ 354,596	$ 293,623

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1985	$0.32	—	—
1984	0.10	—	—
1983	—	—	—
1982	0.40	—	—
1981	0.40	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1985	$ 81,800,000	$ 10.95
1984	73,678,000	9.96
1983	39,077,000	6.99
1982	42,086,000	7.57
1981	46,292,000	8.36

Income Account *

Year ended Jan. 31	1985	1984
Net sales	$ 354,596,000	$ 293,623,000
Cost of sales	265,433,000	218,776,000
Expenses	69,314,000	58,588,000
Loss (gain) on dispos.	122,000	(35,000)
Other income	(513,000)	(1,022,000)
Interest expense	3,497,000	3,856,000
Income before taxes	$ 17,743,000	$ 13,460,000
Income taxes	8,348,000	6,326,000
Net Income	$ 9,395,000	$ 7,134,000

* Included in Costs and Expenses, Depreciation and Amortization: $3,682,000 in 1985 and $3,726,000 in 1984.

Assets

As of Jan. 31	1985	1984
Cash and equiv.	$ 2,236,000	$ 2,151,000
Accts. receiv., net	53,341,000	53,848,000
*Inventories	57,080,000	56,358,000
Other current assets	854,000	677,000
Current Assets	$ 113,511,000	$ 113,034,000
#Fixed assets	24,815,000	25,475,000
Other assets	1,887,000	1,758,000
Total Assets	$ 140,213,000	$ 140,267,000

Liabilities

Notes payable	$ 2,000,000	$ 2,000,000
Long-term debt, curr.	935,000	1,898,000
Accts. payable	13,064,000	18,619,000
Accruals	12,034,000	11,094,000
Accrued income taxes	—	2,228,000
Curr. Liabilities	$ 28,033,000	$ 35,839,000
Long-term debt	20,527,000	20,488,000
Convertible sub. debentures	5,763,000	6,014,000
Deferred inc. taxes	4,090,000	4,248,000
+ Common stock	2,466,000	2,444,000
Add paid-in capital	41,522,000	40,433,000
Retained earnings	37,812,000	30,801,000
Total Liabilities & Shareholders' Equity	$ 140,213,000	$ 140,267,000

* At lower of cost (FIFO or average method) or market.
# Less accumulated depreciation and amortization.
+ No par value.

Statistical Summary

%Income bef. Taxes to Sales	5.00	4.58
%Net Income to Sales	2.65	2.43
%Net Income to Equity	11.49	9.68
Sales to Inventories	6.21	5.21
Working Capital	$85,478,000	$77,195,000
Current Ratio	4.05	3.15
Shareholders' Equity	$81,800,000	$73,678,000

Xerox Corporation

P.O. Box 1600
Stamford, Connecticut 06904
(203) 329-8700

Officers: C. Peter McColough, chairman of the exec. committee; David T. Kearns, chairman of the board & chief exec. officer; William F. Glavin, vice chairman; Melvin Howard, exec. v.p.; Marion H. Antonini, Dwight F. Ryan, George E. Pake, Robert Adams, Wayland R. Hicks, Frank J. Pipp, Robert F. Reiser, group v.p's; Robert D. Firth, Paul Allaire, sr. v.p.'s; Ronald B. Campbell, Jr., Charles F. Christ, Robert J. Kammerer, Douglas M. Reid, Frederick B. Henderson, Elliot Horton, Norbert H. Kaupp, Ronald L. Mercer, William J. Senter, James E. Shapiro, Thorwald N. Trolle, Renn Zaphiropoulos, Roger E. Levien, David R. Meyerscough, Arnold Miller, Joseph c. Sanchez, William T. Blair, G. Adaité, v.p.'s; Robert S. Banks, v.p. & general counsel; E. Kent Damon, v.p. & secretary; John J. McGinty, v.p. & treasurer; Stuart B. Ross, v.p. & controller; R. Geoffrey Bardsley, asst. treasurer; Donald R. Altieri, asst. controller.

Directors: C. Peter McColough*, chairman; Kenneth R. Andrews, Robert A. Beck, Howard L. Clark, Joan Ganz Cooney, William F. Glavin*, Alfred Herrhausen, Melvin Howard*, Vernon E. Jordan, Jr., David T. Kearns*, B.P. Russell, William E. Simon, Robert L. Sproull, Robert S. Strauss, Thomas C. Theobald, Ernst H. van der Beugel.

* Member of the Executive Committee.

Areas of Work: The company is principally in the business equipment and financial services businesses. Within the business equipment segment, the repographics business consists of the development, manufacture, marketing and maintenance of xerographic copiers and duplicators. It also includes the manufacture and/or marketing of related paper and other supplies. Within the business equipment segment, the information systems business consists of the development, manufacture, marketing and maintenance of electronic, impact and electrostatic printers, information processing products, personal computers, office systems products, electronic typewriters, facsimile tranceivers, and the manufacture and/or marketing of related paper and supplies. The principal market for business equipment products is business and government offices. The primary method of marketing such products is through the Company's sales force. Another, smaller segment includes the education-related publishing business and computer related products and services.

Divisions and Subsidiaries:

AutEx Systems
55 Williams Street
Wellesley, Massachusetts 02135
(617) 235-1940

R.R. Bowker Co.
1180 Avenue of the Americas
New York, New York 10036
(212) 764-5100

Century Data Systems
1270 N. Kraemer Blvd.
Anaheim, California 92806
(714) 632-7500

Cheshire, Inc.
408 Washington Blvd.
Mundelein, Illinois 60060
(312) 949-2000

Crum & Forster, Inc.
305 Madison Ave.
Morristown, New Jersey 07960

Diablo Systems, Inc.
24500 Industrial Blvd.
Hayward, California 94545
(415) 786-5000

Ginn and Company
191 Spring Street
Lexington, Massachusetts 02173
(617) 861-1670

Jacques Cattell Press
Box 25001
Tempe, Arizona 85282
(602) 967-8885

Kurzweil Computer Products, Inc.
33 Cambridge Parkway
Cambridge, Massachusetts 02142
(617) 864-4700

Systemix
2737 Campus Drive
Irvine, California 92715
(714) 851-1010

Unipub
650 First Avenue
New York, New York 10016
(212) 686-4707

University Microfilms International
300 N. Zeeb Road
Ann Arbor, Michigan 48106
(313) 761-4700

Versatec, Inc.
2805 Bowers Avenue
Santa Clara, California 95051
(408) 988-2800

Xerox Business Systems Group
Xerox Corporation
Xerox Square
Rochester, New York
(716) 423-9200

Xerox Canada, Inc.
703 Don Mills Road
Don Mills, Ontario M3C 15D
Canada
(416) 429-6750

Xerox Computer Services
5310 Beethoven Street
Los Angeles, California 90066
(213) 390-3461

Xerox Credit Corporation
Two Pickwick Plaza
Greenwich, Connecticut 06830
(203) 622-5440

Xerox Education Publications
245 Long Hill Road
Middletown, Connecticut 06457
(203) 347-7251

Xerox Special Information Systems
300 N. Halstead Street
Pasadena, California 91107
(213) 351-2351

Fuji Xerox Co., Ltd.
3-5 Akasaka 3-chome
Minato-ku, Tokyo 107
Japan

Xerox Group Affiliate Operations
3 Pickwick Plaza
Greenwich, Connecticut 06830
(213) 622-4700

Xerox Limited, Hong Kong
P.O. Box 489
12C Watson's Estate
North Point, Hong Kong
China

Xerox Learning Systems
One Pickwick Plaza
Greenwich, Connecticut 06830
(203) 622-5300

Xerox Magnetics
150 Charcot Avenue
San Jose, California 95131
(408) 262-4136

Xerox Medical Systems
125 N. Vinedo Avenue
Pasadena, California 91107
(213) 251-2351

Xerox Memory Division
3333 Bowers Avenue, Suite 250
Santa Clara, California 95051
(408) 727-7710

Xerox Information Products Division
Xerox Corporation
1341 W. Mockingbird Lane
Dallas, Texas 75247
(214) 689-6000

Xerox Printing Systems Division
Xerox Corporation
Continental Park
880 Apollo Street
El Segundo, California 90245
(213) 536-7000

Xerox Systems Group
101 Continental Ave.
El Segundo, California 90245
(213) 536-7000

Xerox Electronics Division
701 S. Aviation Blvd.
El Segundo, California 90245
(213) 536-7000

Xerox Office Systems Division
2100 Geng Road
Palo Alto, California 94303
(415) 496-6000

Xerox Information Systems Division
2100 Geng Road
Palo Alto, California 94303
(415) 496-6000

Xerox Reprographics Business Group
Xerox Square
100 Clinton Avenue
Rochester, New York 14644
(715) 427-5400

Xerox Diversified Business Group
800 Long Ridge Road
Stamford, Connecticut 06904
(203) 329-8700

Xerox General Services Division
Xerox Square
100 Clinton Avenue
Rochester, New York 14644
(716) 427-5400

Xerox Real Estate Division
800 Long Ridge Road
Stamford, Connecticut 06904
(203) 329-8700

Xerox Information Resources Group
1 Pickwick Plaza
30 Mason Street
Greenwich, Connecticut 06830
(203) 625-5600

Rank Xerox Limited
Rank Xerox House

338 Euston Road
London NW1 3BH
England

Xerox Special Businesses Division
Xerox Corporation
Xerox Square
Rochester, New York 14644

Xerox Argentina, I.C.S.A.
Xerox do Brasil, S.A.
Xerox de Chile, S.A. Reproducciones
Xerox del Ecuador, S.A.
Industrias Xerographicas, S.A. de C.V.
Xerox del Peru, S.A.
Xerox de Venezuela, C.A.
Xerox de Colombia, S.A.
Xerox Research (UK) Limited
Rank Xerox Holding B.V.
  Rank Xerox Manufacturing (Nederland) B.V.
Societe Industrielle
  Rank Xerox S.A.
Bessemer Trust Limited
Lyell Holdings Ltd.
Fuji Xerox Co., Ltd.
Rank Xerox (U.K.) Limited
Rank Xerox (Ireland) Limited
Rank Xerox de Espana Limited
Rank Xerox Espanola S.A.
Rank Xerox (N.Z.) Ltd.
Rank Xerox S.A.
Rank Xerox Exports Ltd.
Rank Xerox Business Equipment Inc.
Rank Xerox Investments Ltd.
Xerox International Scales Corp.
Rank Xerox (Management) Limited
  N.V. Rank Xerox S.A.
  Rank Xerox (Australia) Pty. Ltd.
  Rank Xerox Austria G.m.b.H.
  Rank Xerox A/S
  Rank Xerox Oy
  Rank Xerox G.m.b.H.
  Rank Xerox Greece S.A.
  Rank Xerox S.p.A.
  Rank Xerox (Nederland) B.V.
  Rank Xerox A/S
  Rank Xerox A.B.
  Rank Xerox A.G.

Acquisition(s):

Crum and Forster
New York, New York
Operates as an insurance holding company.

Circle Business Credit, Inc.
Contract financing and equipment leasing for small business.

Van Kampen Merritt
Investment banking firm.

Delphax Systems
Westwood, Massachusetts
Develops and sells a high-speed non-impact electronic printer using ion deposition imaging technology.

Transfer Agent(s):

Xerox Corporation
P.O. Box 2007
Rochester, New York 14603

Stock Exchange(s): New York, Midwest, Pacific, Philadelphia, Boston, Cincinnati, London, Paris, Amsterdam, Dusseldorf, Frankfurt, Basel, Berne, Geneva, Lausanne, Zurich.

Ticker Symbol: XRX

Number of Employees:

1984	103,457	1982	109,940
1983	104,007		

Sales and Earnings

	Oper. Rev. † (000's)	Net Income (000's)
1984	$ 9,002,000	$ 291,000
1983	8,607,000	466,000
1982	8,459,000	424,000
1981	8,483,000	598,000
1980	8,032,000	598,000

	No. of Com. Shares #	Earn. per Share #
1984	95,691,000	$ 2.53
1983	94,897,000	4.42
1982	84,697,031	5.00
1981	84,503,146	7.08
1980	84,423,840	6.69

† Of continuing operations only.
# Based on the average number of common shares and Class B shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$3.00	—	—
1983	3.00	—	—
1982	3.00	—	—
1981	3.00	—	—
1980	2.80	—	—

Common Stock Equity

	Total Equity (000's)	Equity Per Share
1984	$ 4,101,000	$ 42.87
1983	4,222,000	44.51
1982	3,724,000	44.12
1981	3,728,000	44.27
1980	3,630,000	43.13

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net sales	$ 4,282,400	$ 3,695,100
Rentals	3,004,600	3,305,600
Service	1,504,600	1,267,200
Eq. in inc. of fin. serv. bus.	67,700	197,100
Other income	142,900	141,500
Total oper. revenues	$ 9,002,200	$ 8,606,500
Cost of sales	2,080,900	1,816,600
Cost of rentals	1,556,900	1,635,700
Cost of service	707,700	589,700
Expenses	3,769,900	3,582,100
Interest expense	260,600	190,400
Other charges	12,100	73,900
Income before taxes	$ 614,100	$ 718,100
Income taxes	168,100	163,100
Outside shareholders's interests	70,400	64,000
Inc. - cont. oper.	$ 375,600	$ 491,000
Loss - discont. oper.	(85,100)	(24,600)
Net Income	$ 290,500	$ 466,400

*Included in Costs and Expenses, Depreciation: $881,300,000 in 1984 and $840,200,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & time deposits	$ 168,000	$ 326,200
Marketable securities	58,900	45,100
Accts. receiv., net	1,337,700	1,367,600
Accrued revenues	614,500	454,400
*Inventories	1,300,000	1,284,800
Prepaid expenses & other assets	260,100	176,600
Current Assets	$ 3,739,200	$ 3,654,700
Investments	2,428,000	2,220,100
Rental equip.	1,519,500	1,528,500
Trade receiv.	267,400	274,500
#Fixed assets	1,391,800	1,469,800
Other assets	191,200	149,300
Total Assets	$ 9,537,100	$ 9,296,900

Liabilities
(000's)

Notes payable & long-term debt, curr.	$ 654,700	$ 542,600
Accts. payable	310,500	308,800
Accrued payroll	916,900	960,300
Other liab.	221,200	116,900
Income taxes	136,100	209,200
Unearned income	211,700	168,200
Curr. Liabilities	$ 2,415,100	$ 2,306,000
Long-term debt	1,614,300	1,460,900
Shareholders' interests in eq. of subsid.	440,900	438,400

Deferred credits	94,600	100,900
Deferred income taxes	54,400	121,900
Noncurrent liabilities	338,800	204,400
+ Redeem. pref. stock	442,000	442,000
+ + Common stock	95,700	94,900
+ + Class B stock	200	200
Add. paid-in capital	775,100	695,300
Retained earnings	3,759,400	3,804,300
Apprec. of eq. invest.	17,300	40,000
Class B stock receiv. & deferrals	(9,900)	(10,300)
Cum. trans. adjust.	(536,800)	(402,000)
Total Liabilities & Shareholders' Equity	$ 9,537,100	$ 9,296,900

* At lower of average cost or market.
# Less accumulated depreciation.
+ $1 par value; $5.45 cumulative.
+ + $1 par value.

Statistical Summary

%Net Income to Equity	7.08	11.05
Working Capital	$1,288,100,000	$1,348,700,000
Current Ratio	1.53	1.58
Shareholders' Equity	$4,101,000,000	$4,222,400,000

Xexex Industries, Inc.

3 Duke Place
Norwalk, Connecticut 06854
(203) 853-8001

Mailing address:

P.O. Box 5319
Rowayton, Connecticut 06853

Officers: George Battocchio, president & treasurer; Burton Marks, secretary; G. David Battocchio, controller.

Directors: George Battocchio, chairman; Ira Nevin, Robert E. Weiss, Burton Marks, Samuel Distasi.

Areas of Work: Engaged in the production of circuit boards.

Transfer Agent(s):

American Stock Transfer Company
New York, New York

Stock Exchange(s): Over-the-Counter

Sales and Earnings

	Net Sales	Net Income
1984	$ 4,321,835	$ 181,415
1983	3,556,703	37,165
1982	2,692,167	(42,968)
1981	2,952,285	59,273
1980	3,046,505	141,130

	No. of Com. Shares ‡	Earn per Share ‡
1984	345,333	$ 0.53
1983	348,033	0.11
1982	353,033	—
1981	353,933	0.17
1980	361,800	0.39

(Loss)
‡ Based on weighted average number of shares outstanding.

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$0.13	—	—
1983	—	—	—
1982	—	—	—
1981	0.11	—	—
1980	0.11	—	—

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 1,280,453	$ 3.71
1983	1,098,388	3.16
1982	1,054,725	2.99
1981	1,138,552	3.22
1980	1,137,433	3.14

‡ Based on weighted average number of shares outstanding.

Income Account *

Year ended Dec. 31	1984	1983
Net sales	$ 4,321,835	$ 3,556,703
Cost of sales	3,307,534	2,853,847
Expenses	722,322	649,582
Other charges	8,729	11,980
Income before taxes	$ 283,250	$ 41,294
Income taxes	101,835	4,129
Net Income	$ 181,415	$ 37,165

* Included in Costs and Expenses, Depreciation and Amortization: $212,604 in 1984 and $210,850 in 1983.

Assets

As of Dec. 31	1984	1983
Cash	$ 444,682	$ 302,475
Receiv., net	422,366	375,465
* Inventories	317,985	368,328
Prepaid expenses	12,130	12,680
Current Assets	$ 1,197,163	$ 1,058,948
# Fixed assets	791,635	700,938
Defer. charges & other assets	41,364	122,476
Total Assets	$ 2,030,162	$ 1,882,362

Liabilities

Notes payable	$ 80,000	$ 86,050
Accts. payable	299,992	310,127
Accruals	61,799	27,763
Income taxes	49,543	43
Other taxes	(91)	5,146
Curr. Liabilities	$ 491,243	$ 429,129
Notes payable	220,000	313,992
Deferred inc. taxes	38,466	40,853
+ Common stock	4,065	4,065
Add. paid-in capital	337,098	337,098
Retained earnings	1,106,959	914,169
Treasury stock	(167,669)	(156,944)
Total Liabilities & Shareholders' Equity	$ 2,030,162	$ 1,882,362

* At lower of cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.01 par value.

Statistical Summary

% Income bef. Taxes to Sales	6.55	1.16
% Net Income to Sales	4.20	1.04
% Net Income to Equity	14.17	3.38
Sales to Inventories	13.59	9.66
Working Capital	$ 705,920	$ 629,819
Current Ratio	2.44	2.47
Shareholders' Equity	$1,280,453	$1,098,388

Youngwood Electronic Metals, Inc.

R.D.8 Omeid Park
Greensburg, Pennsylvania 15601
(412) 834-3700

Officers: Robert A. Domin, president & treasurer; Thomas A. Hill, v.p.-finance & secretary; Paul J. Koontz, controller; Joseph C. Maloney, v.p.-operations.

Directors: Robert A. Domin, Thomas A. Hill, Peter E. Boom, Richard J. Nesbit, Sam Chetlin.

Areas of Work: Engaged in the manufacture of high precision lead frame and other stampings, to customers' specifications, for the semiconductor components of electronic industry. Included in the market are computers, calculators, industrial control devices, automotive, communications, radio, television and other customer applications.

Transfer Agent(s):

Mellon Bank, N.A.
Mellon Square
Pittsburgh, Pennsylvania

Stock Exchange(s): Over-the-Counter

Ticker Symbol: YEMI (NASDAQ)

Number of Employees:

1984	133	1983	91

Plant Footage:

1984	63,419	1983	45,692

Sales and Earnings

	Net Sales	Net Income ‡
1984	$ 8,251,516	$ (487,039)
1983	9,169,706	931,869
1982	15,036,558	(685,397)
1981	15,744,165	(1,001,512)
1980	18,132,976	(174,857)

	No. of Com. Shares	Earn. per Share #‡
1984	1,181,229	$ —
1983	1,161,229	0.81
1982	1,146,229	—
1981	1,111,229	—
1980	1,067,629	—

(Loss)
‡ Including extraordinary gain of $293,000 ($0.25 per share) in 1983.
# Based on the weighted average number of common shares outstanding.

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 2,544,784	$ 2.15
1983	3,005,572	2.59
1982	2,058,391	1.80
1981	2,725,890	2.45
1980	3,670,261	3.44

Income Account *

Year ended Aug. 31	1984	1983
Net sales	$ 8,251,516	$ 9,169,706
Cost of sales	7,470,351	8,591,040
Expenses	1,156,871	1,290,394
Prov. for doubtful accts.	101,964	52,182
Interest expense	169,473	346,418
Eq. in loss of invest.	163,617	213,757
Other income	(121,721)	(54,954)
Gain on sale of plant facil.	—	(2,670,000)
Income (loss) bef. taxes	$ (689,039)	$ 1,400,869
Income taxes (credit)	(202,000)	762,000
Net Income (Loss)	$ (487,039)	$ 638,869
Extraord. gain	—	293,000
Net Income (Loss) & Extraord. Gain	$ (487,039)	$ 931,869

* Included in Costs and Expenses, Depreciation: $260,142 in 1984 and $281,841 in 1983.

Assets

As of Aug. 31	1984	1983
Cash	$ 31,194	$ 75,199
Receiv., net	1,255,809	1,377,397

Royalty receiv.	923,543	262,000
Recov. inc. taxes	20,000	—
*Inventories	514,159	691,783
Prepaid expenses	6,239	35,528
Current Assets	$ 2,750,944	$ 2,441,907
Investments & other assets	244,335	1,276,390
#Fixed assets	2,776,870	1,977,908
Total Assets	$ 5,772,149	$ 5,696,205

Liabilities

Long-term debt, curr.	$ 140,487	$ 29,509
Accts. payable	986,760	1,051,379
Accrued payroll & employee benefits	265,306	246,705
Income taxes	312,700	108,000
Note payable	40,000	—
Curr. Liabilities	$ 1,745,253	$ 1,435,593
Long-term debt	1,360,332	728,340
Unfunded pension liab.	121,780	125,000
Deferred inc. taxes	—	401,700
+ Common stock	894,687	879,687
Add. paid-in capital	970,411	959,160
Retained earnings	691,970	1,179,009
Treasury stock	(12,284)	(12,284)
Total Liabilities & Shareholders' Equity	$ 5,772,149	$ 5,696,205

* At cost (LIFO) not in excess of market.
# Less accumulated depreciation.
+ $0.75 par value.

Statistical Summary

%Income bef. Taxes to Sales	—	15.28
%Net Income to Sales	—	6.97
%Net Income to Equity	—	21.26
Sales to Inventories	16.05	13.26
Working Capital	$1,005,691	$1,006,314
Current Ratio	1.58	1.70
Shareholders' Equity	$2,544,784	$3,005,572

Zenith Electronics Corporation

1000 Milwaukee Avenue
Glenview, Illinois 60025
(312) 391-7000

Officers: Jerry K. Pearlman, chairman and president; Karl H. Horn, Robert B. Hansen exec. v.p.'s & group exec's.; Carl A. Michelotti, Joseph P. Fiore, senior vice presidents & group vice presidents; Otto M. Genutis, v.p. & gen. mgr-picture-tube operations; James L. Faust, president-cable products; Howard H. Graham, v.p.-finance services; Gerald M. McCarthy, sr. v.p. - marketing & sales, consumer products; David W. Denton, v.p.-human resources and public affairs; Leonard Dietch, v.p.-research and development, system and components operations; Melvin L. Moore, v.p.-manufacturing, consumer producs; James A. Stark, v.p.-purchasing; William A. Krein, v.p. & controller; David S. Levin, treasurer; Dennis J. Waldeck, secretary; John Borst, Jr., general counsel; Bruce A. Huber, exec. dir.-marketing, consumer products; Peter C. Skerlos, exec. dir.-engineering, consumer products.

Directors: Thomas G. Ayers*, Harry G. Beckner, Sidney Davidson*, Karl H. Horn, John H. Johnson, Eugene M. Kinney, Frederick G. Jaicks*, Arthur W. Schultz*, Jerry K. Pearlman*, Jonn W. Madigan, Robert B. Hansen, G. Ralph Guthrie, Joseph S. Wright.

* Member of the Executive Committee

Areas of Work: Zenith is engaged predominantly in the design, development, manufacture and sale of consumer electronics and related products. These products include: color and black and white television, video cassette recorders, parts and accessories, cable television products, microcomputers- related peripheral equipment and software, power supplies, display subsystems and color television picture tubes. Other products include high-technology components which are sold to original equipment manufacturers. The Heath Company, a wholly-owned subsidiary, produces and markets consumer electronics products in kit and assembled form through mail order distribution and 70 retail store operations in the United States and Canada.

Divisions and Subsidiaries:

Zenith Electronics Corporation
1900 North Austin Avenue
Chicago, Illinois 60639
(312) 745-2000

Zenith Microcircuits Corporation
1851 Arthur Street
Elk Grove, Illinois 60007
(312) 956-1550

Rauland Division
2407 W. North Ave.
Melrose Park, Illinois 60160
(312) 379-4600

Zenith Electronics Corporation
1500 No. Kostner Avenue
Chicago, Illinois 60651
(312) 745-2000

Zenith Electronics Corporation
11000 Seymour
Franklin Park, Illinois 60131
(312) 671-7550

Springfield Division
2500 E. Kearney Street
Springfield, Missouri 65801
(417) 865-8341

Zenith Electronics Corp. of Indiana
1515 No. Fulton Avenue
Evansville, Indiana 47701
(812) 423-7761

Zenith Electronics Corp. of Texas
6601 South 33rd Street
McAllen, Texas 78503
(512) 687-9161

Electro Partes de Matamoros, S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Partes de Television de Reynosa S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Zenith Taiwan Corporation
No. 16 Chih Chiang First Road
Chung Li-Industrial District
Chung-Li Shin
Toa-Yuan Hsien, Taiwan, R.O.C.

Zenith Radio Corp. of Canada, Ltd.
1020 Islington Avenue
Toronto, Ontario M8Z 5X5, Canada
(416) 231-4171

Zenith Distributing Corp. of Northern California
800 Mariposa Street
San Francisco, California 94107
(415) 621-8545

Zenith Distributing Corporation of Southern California
11945 East Pike Street
Santa Fe Springs, California 90670
(213) 699-7461

Zenith Distribution Corp. of New York
200 Meadowlands Parkway
Secaucus, New Jersey 07094
(201) 330-9000

Zenith Distributing Corp.-Midstates
12600 West 93rd Street
Lenexa, Kansas 66215
(913) 888-4800

Zenith Distributing Corp. of Illinois
505 No. Northwest Avenue
Northlake, Illinois 60164
(312) 562-7300

Zenith International Sales Corp.
1900 North Austin Avenue
Chicago, Illinois 60639
(312) 745-2000

Zenith Data System Corporation
950 North Milwaukee Avenue
Glenview, Illinois 60025
(312) 391-8860

Zenith Electronics (Ireland) Ltd.
Virginia Road, Kells
County Meath, Ireland

Zenith Electronics Corp. of Arizona
P.O. Box 4042
Douglas, Arizona 85608

Telson De Mexico, S.A. de C.V.
217 3rd Street
Douglas, Arizona 85608

Zenith Video Tech Corporation
11000 Seymour Avenue
Franklin Park, Illinois 60131

Zenith Video Products Corporation
1000 Milwaukee Avenue
Glenview, Illinois 60025

Cableproductos De Chihuahua, S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Productos Magneticos de Chihuahua, S.A. de C.V.
P.O. Box 848
Brownsville, Texas 78520

Veritechnology Electronics Corporation
Hilltop Road
St. Joseph, Michigan 49058

Heath Company
Hilltop Road
St Joseph, Michigan 49058
(616) 982-3200

Transfer Agent(s):

The First National Bank of Boston
Boston, Massachusetts

Stock Exchange(s): New York, Midwest, Zurich, Basel, Geneva

Ticker Symbol: ZE

Number of Employees:

1984	29,000	1981	28,000
1983	30,000	1980	25,200
1982	24,000		

Plant Footage:

1984	9,500,000 sq. ft.	1981	9,900,000
1983	9,100,000	1980	9,300,000
1982	9,100,000		

Sales and Earnings

	Net Sales + (000's)	Net Income† (000's)
1984	$ 1,716,000	$ 63,600
1983	1,361,000	46,300
1982	1,239,200	(24,300)
1981	1,275,200	15,700
1980	1,185,900	26,600

	No. of Com. Shares	Earn. per Share †
1984	22,144,058	$ 2.88
1983	21,961,067	2.26
1982	18,930,122	—
1981	18,910,793	0.83
1980	18,862,034	1.41

(Loss)
+ Of continuing operations only.
† Based on the weighted average number of common shares and common share equivalents outstanding.

Revenues By Line of Business
(000's)

	1984	1983
Consumer elections	$ 1,062,000	$ 923,000
Computer systems & components	472,000	286,000

Cable products	182,000	152,000
Total	$ 1,716,000	$ 1,361,000

Common Stock

	Cash Dividend	Stock Dividend	Stock Split
1984	$ —	—	—
1983	—	—	—
1982	0.15	—	—
1981	0.525	—	—
1980	0.60	—	—

Common Stock Equity

	Total Equity	Equity Per Share
1984	$ 442,800,000	$ 20.00
1983	375,200,000	17.08
1982	267,500,000	14.14
1981	294,500,000	15.57
1980	288,000,000	15.26

Income Account *
(000's)

Year ended Dec. 31	1984	1983
Net Sales	$ 1,716,000	$ 1,361,300
Cost of sales	1,357,000	1,048,700
Expenses	257,700	219,300
Gain on sale of prop.	(1,000)	(1,800)
Interest expense	17,100	12,500
Other income	(6,500)	(4,900)
Income bef. taxes	$ 91,700	$ 87,500
Income taxes	28,100	41,200
Net Income	$ 63,600	$ 46,300

* Included in Costs and Expenses, Depreciation and Amortization: $31,800,000 in 1984 and $29,800,000 in 1983.

Assets
(000's)

As of Dec. 31	1984	1983
Cash & mkt. secur	$ 12,300	$ 71,500
Receiv., net	264,400	168,400
*Inventories	347,300	254,400
Prepaid expenses	62,400	51,900
Current Assets	$ 686,400	$ 546,200
#Fixed assets	220,200	189,600
Other assets	2,300	3,200
Total Assets	$ 908,900	$ 739,000

Liabilities
(000's)

Short-term debt	$ 5,300	$ —
Long term debt curr	6,900	6,900
Accts. payable	84,100	78,100
Accruals	42,900	38,700
Accrued payroll	46,900	42,800
Income taxes	11,800	7,200
Prod. warranties	36,500	32,600
Co-op. adv. & merch. prog.	35,300	21,100
Curr. Liabilities	$ 269,700	$ 227,400
Long-term debt	172,400	104,600
Deferred inc. taxes	24,000	31,800
+ Common stock	22,100	22,000
Add. paid-in capital	64,800	60,900
Retained earnings	355,900	292,300
Total Liabilities & Shareholders' Equity	$ 908,900	$ 739,000

* At lower of cost (majority at FIFO; remainder at LIFO) or market.
# Less accumulated depreciation.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	5.34	6.43
%Net Income to Sales	3.71	3.40
%Net Income to Equity	14.36	12.34
Sales to Inventories	4.94	5.35
Working Capital	$416,700,000	$318,800,000
Current Ratio	2.55	2.40
Shareholders' Equity	$442,800,000	$375,200,000

Zero Corporation

777 Front Street
P.O. Box 509
Burbank, California 91503
(818) 846-4191

Officers: John B. Gilbert, chairman of the board, president, TOLD Corporation; Howard W. Hill, vice chairman & chairman of the executive committee; Wilford D. Godbold, Jr., president & chief executive officer; James E. Osterman, v.p. & secretary; James F. Hermanson, Ronald L. Hess, vice presidents; Richard N. Holt, treasurer & assistant secretary.

Directors: John B. Gilbert, chairman; Richard R. Gomez, Howard W. Hill, Arnold D. Larson, Roger L. Putnam, Jr., Clinton G. Gerlach, Robert C. Sherburne, Wilford D. Godbold, Jr.

Areas of Work: Engaged in the design, manufacture and sale of metal containers, cabinets, instrument cases and other packaging for the electronics and data processing industries. Also manufactures and sells proprietary plastic and metal components and assemblies used in the electronics and other industries and devices for the cooling of electronic equipment, and a line of aluminum luggage and camera cases under the Zero Halliburton® name.

Divisions and Subsidiaries:

Dacobas, Inc.
777 Front Street
P.O. Box 509
Burbank, CA 91503

Offers a line of electronic cabinets, enclosures, and technical support furnishings of modular design.

Zero-West Division
777 Front Street
Burbank, California 915[illegible]
(818) 846-4191

Zero-East Division
288 Main Street
Monson, Massachusetts 01057
(413) 267-5561

Scanbe
3445 Fletcher Avenue
El Monte, California 91731

McLean Engineering
70 Washington Road
Princeton Junction, New Jersey 08550

Manufactures blowers and fans for cooling electronic units.

McLean Midwest
4000 83rd Avenue North
Brooklyn Park, Minnesota 55443

Manufactures air conditioners and heat exchangers for electronic equipment.

Quiet Print, Inc.
20 Mill Street
Healdsburg, California 95448

Manufactures and sells accoustical enclosures marketed to the computer and telecommunications industry throughout the United States.

Samuel Groves & Co., Ltd.
Norton Street
Hockley, Birmingham, B185RQ England

Manufactures deep drawn food service containers and accessories.

Zero-Halliburton
12224 Montague Street
Pacoima, California 91331

Manufactures luggage and camera cases.

Affiliates:

Ocean Technology, Inc. (40% owned)
2835 North Naomi Street
Burbank, California 91504
(213) 849-7111

Provides systems engineering, research and development services and electronic equipment relating to shipboard communication, command and weapon control systems installed on U.S. Navy vessels.

Transfer Agent(s):

Security Pacific National Bank
P.O. Box 60228, Terminal Annex
Los Angeles, California 90060

Stock Exchange(s): New York, Pacific

Ticker Symbol: ZRO

Sales and Earnings

	Net Sales	Net Income
1985	$ 117,172,000	$ 11,462,000
1984	93,726,000	9,849,000
1983	79,699,000	8,087,000
1982	81,730,000	7,431,000
1981	79,266,000	5,883,000

	No. of Com. Shares +	Earn. per Share ‡
1985	9,610,626	$ 1.18
1984	9,567,690	1.02
1983	9,488,286	0.85
1982	9,396,550	0.82
1981	8,669,850	0.67

+ Adjusted to reflect stock splits.
‡ Based on weighted average number of shares outstanding adjusted to reflect stock splits.

Revenues By Line of Business

	1985	1984
Specialized enclosures	$ 62,836,000	$ 56,822,000
Enclosure accessories	44,485,000	28,799,000
Other	9,851,000	8,105,000
Total	$ 117,172,000	$ 93,726,000

Common Stock

	Cash Dividend‡	Stock Dividend	Stock Split
1985	$0.304	—	5-for-4
1984	0.264	—	3-for-2
1983	0.247	—	5-for-4
1982	0.196	—	5-for-4
1981	0.148	—	5-for-4

‡ Adjusted to reflect stock splits.

Common Stock Equity

	Total Equity	Equity Per Share ‡
1985	$ 62,343,000	$ 6.49
1984	53,886,000	5.63
1983	46,117,000	4.86
1982	39,789,000	4.23
1981	28,569,000	3.30

‡ Adjusted to reflect stock splits.

Income Account
(000's)

Year ended March 31	1985	1984
Net sales	$ 117,172	$ 93,726
Other income	3,052	2,750

Total Income	$ 120,224	$ 96,476
Cost of sales	72,199	57,120
Expenses	21,824	16,556
Depreciation	3,357	2,698
Interest expense	1,546	1,465
Income before taxes	$ 21,298	$ 18,637
Income taxes	9,836	8,788
Net Income	$ 11,462	$ 9,849

Assets
(000's)

As of March 31	1985	1984
Cash	$ 531	$ 1,282
Marketable securities	18,106	23,582
Receiv., net	20,420	15,616
*Inventories	17,323	13,876
Prepaid expenses	788	448
Deferred inc. taxes	1,233	1,142
Current Assets	$ 58,401	$ 55,946
Investments	4,272	3,555
#Fixed assets	23,302	19,258
Other assets	1,503	456
Intangibles	5,325	3,594
Total Assets	$ 92,803	$ 82,809

Liabilities
(000's)

Long-term debt, curr.	$ 1,264	$ 1,169
Subordinated debt, curr.	274	—
Accts. payable	3,516	2,959
Accruals	1,792	1,547
Accrued payroll	6,156	4,693
Accrued interest	187	269
Income taxes	143	2,461
Other taxes	1,174	1,626
Curr. Liabilities	$ 14,506	$ 14,724
Long-term debt	6,110	6,408
Subord. debt	2,288	2,542
Non-curr. liab.	3,951	2,460
Deferred inc. taxes	381	346
Cap. lease oblig.	962	999
Minority interest	2,262	1,444
+ Common stock	9,611	7,654
Add. paid-in capital	7,153	8,644
Retained earnings	46,108	37,718
For. curr. trans. adj.	(529)	(130)
Total Liabilities & Shareholders' Equity	$ 92,803	$ 82,809

* At lower of cost (FIFO or average) or market.
# Less accumulated depreciation and amortization.
+ $1 par value.

Statistical Summary

%Income bef. Taxes to Sales	18.18	19.88
%Net Income to Sales	9.78	10.51
%Net Income to Equity	18.39	18.28
Sales to Inventories	6.76	6.75
Working Capital	$43,895,000	$41,222,000
Current Ratio	4.03	3.80
Shareholders' Equity	$62,343,000	$53,886,000

Zygo Corporation

Laurel Brook Road
Middlefield, Connecticut 06455
(203) 347-8506

Officers: Paul F. Forman, chairman of the board, president, chief executive officer & treasurer; Carl Z. Zanoni, v.p.-engineering; Sol F. Laufer, v.p.-optics group; James R. Downey, Jr., v.p.-finance & administration; Thomas O. Hagerth, v.p.-marketing; I. Frederick Shotkin, secretary.

Directors: Paul F. Forman, chairman; Carl A. Zanoni, Fujio Mitarai, Burton S. Sonenstein, Takashi Kojima, Robert G. McKelvey.

Areas of Work: The company designs, develops, manufactures and markets high-performance, laser-based, non-contact electro-optical measuring instruments and systems, and also manufactures optical components to extremely precise tolerances both for sale and for use as key elements in its own products. The company's instruments and systems are used to enhance productivity and improve product quality in a variety of industrial, scientific, and aerospace applications. The company is a worldwide producer of general purpose laser interferometers, microprocessor-based interferometer data analyzers, and related accessories which measure optical elements and systems, and precision manufactured components. The company also produces laser telemetric systems, which use scanning laser beams and microprocessor-based signal processors to make precision dimensional measurements.

Transfer Agent(s):

Continental Stock Transfer and Trust Company
72 Reade Street
New York, New York 10007

Stock Exchange(s): Over-the-Counter

Ticker Symbol: ZIGO (NASDAQ)

Number of Employees:

1984	285	1983	250

Plant Footage:

1984	100,000 sq. ft.	1983	100,000

Sales and Earnings

	Net Sales	Net Income
1984	$ 17,512,000	$ 1,108,000
1983	14,270,000	802,000
1982	11,148,000	104,000
1981	10,611,000	1,116,000
1980	7,731,000	810,000

	No. of Com. Shares #	Earn. per Share #
1984	2,129,000	$ 0.52
1983	1,735,000	0.46
1982	1,732,000	0.06
1981	1,720,000	0.65
1980	1,713,000	0.47

Based on the weighted average number of common shares outstanding.

Revenues By Line of Business

	1984	1983
Instruments & systems	$ 79%	$ 77%
Precision optical components	21%	23%
Total	$ 100%	$ 100%

Common Stock Equity

	Total Equity	Equity Per Share ‡
1984	$ 15,369,000	$ 7.22
1983	6,093,000	3.51
1982	5,287,000	3.05
1981	4,981,000	2.90
1980	3,655,000	2.13

‡ Based on the weighted average number of common shares outstanding.

Income Account *
(000's)

Year ended June 30	1984	1983
Net sales	$ 17,512	$ 14,270
Cost of sales	4,477	7,256
Expenses	5,975	4,821
Interest income	(161)	(2)
Interest expense	539	960
Other income	—	(38)
Income bef. taxes	$ 1,682	$ 1,273
Income taxes	574	471
Net Income	$ 1,108	$ 802

* Included in Costs and Expenses, Depreciation and Amortization: $655,000 in 1984 and $467,000 in 1983.

Assets
(000's)

As of June 30	1984	1983
Cash	$ 2,966	$ 19
Accts. receiv., net	5,799	6,189
*Inventories	6,963	6,293
Prepaid expenses	136	106
Current Assets	$ 15,864	$ 12,607
#Fixed assets	6,141	5,747
Other assets	142	173
Total Assets	$ 22,147	$ 18,527

Liabilities
(000's)

Notes payable	$ —	$ 6,160
Long-term debt, curr.	353	361
Accts. payable	686	625
Cust. prog. pay.	—	222
Accrued payroll	740	490
Other accruals	511	580
Income taxes payable	203	298
Deferred inc. taxes	776	119
Curr. Liabilities	$ 3,269	$ 8,855
Long-term debt	2,589	2,968
Deferred income	200	200
Deferred inc. taxes	720	411
+ Common stock	238	170
+ Class D common stock	1	4
Add. paid-in capital	9,280	1,177
Retained earnings	5,850	4,742
Total Liabilities & Shareholders' Equity	$ 22,147	$ 18,527

* At lower of standard cost (FIFO) or market.
# Less accumulated depreciation.
+ $0.10 par value.

Statistical Summary

%Income bef. Taxes to Sales	9.60	8.92
%Net Income to Sales	6.33	5.62
%Net Income to Equity	7.21	13.16
Sales to Inventories	2.52	2.27
Working Capital	$12,595,000	$3,752,000
Current Ratio	4.85	1.42
Shareholders' Equity	$15,369,000	$6,093,000

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